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Household Furniture and Bedding

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HOUSEHOLD FURNITURE & BEDDING

Market Trends

The recovery of the $25 billion-plus (at retail) U.S. furniture and bedding market, which began in 1983, has generally continued despite a weak performance in the first half of the year. However, retailers reporting in early 1986 find furniture business spotty, with modular, occasional and knock-down furniture pieces doing best.

The American Furniture Manufacturers Association looks for sales of furniture to reach about $24.4 billion in 1986, up from $23.2 billion in 1985. Favorable factors are the generally stronger economy and particularly the easing of mortgage rates which have spurred sales of new housing as well as housing resales. Lower energy costs and the strong equity markets have also encouraged home buyers, who will, in turn, need new furniture.

Other factors slow the demand for new furniture. The build-up in consumer installment and other debts, for one. Industry sources indicate that approximately 60% of all furniture sales are financed on credit. Consumer installment debt as a percentage of personal income reached an all-time high in 1985, exceeding 15%. Personal savings rates, meanwhile, were at an all-time low, falling below 5%. Another factor in decreased demand for furniture--particularly for larger pieces or suites--is the continued trend toward smaller, affordable housing. Between 1980 and 1985, the percentage of new housing units with two bedrooms or less increased from 17% to 25%.

Domestic manufacturers, on the other hand, are faced with problems of rising costs and competition from imports, which increases each year. The case goods and occasional furniture segments are particularly vulnerable to pressure from imports, and these are expected to grow from 14% of total U.S. consumer market in 1985 to 15% in 1986, and to 18 or 20% by 1990. In the upholstered furniture segment, price increases in two major components--foam and fabric--are being faced by manufacturers.

Because of the competition from imports, major U.S. retailers are now buying directly from overseas manufacturers, and several U.S. furniture makers are sourcing off-shore on a selective basis. This allows them to compete in lower-priced lines under their own brand names.

High transportation costs have kept the size of the U.S. export market fairly small, as well as different style preferences. The lower value of the U.S. dollar in relation to many foreign currencies may lead to some gains in 1986.

A view of the longer-range prospects for the U.S. furniture market must take into consideration all of the above plus changing life-styles and demographics in the U.S. market. Furniture's share of total consumer expenditures has declined sharply in the 1960's. It accounted for 12% of total spending for durable goods; the share is now down to about 7%.

An increasing number of households are composed of young couples and of persons living alone in apartments, town houses, or condominiums. Where there are children, there is usually only one. The result is a smaller demand for furniture. Furniture designed to house home-entertainment systems is among the fastest-growing categories, but it accounts for only a small share of total furniture shipments.

Furniture makers are designing smaller pieces to fit smaller spaces and casual life styles, and turning to newer looks, usually wicker and rattan. Recliner and modular manufacturers are expecting to get impetus in sales from the new motorized categories.

There were approximately 15 million bedding units sold in 1985, an increase of 13% from the 13.3 million units reported in 1983 and a six-fold increase since 1975. Waterbeds currently account for about 20% of the bedding market, or about 3 million units.

AT THE MANUFACTURER LEVEL

GENERAL INDUSTRY STATISTICS

Industry Shipments

An analysis of trends in the furniture and bedding industry is included in the annual report, U.S. Industrial Outlook, compiled by the International Trade Administration, U.S. Department of Commerce. Included are the major segments of the industry: manufacturers classified in the wood and in the upholstered furniture segments, in metal household furniture and in bedding (mattresses and springs).

Trends in Specified Segments of the Household Furniture Industry & In the Bedding Industry, 1977-1982
(Compound annual rate of growth)

Industry data	Wood Household Furniture 1977-1982	Upholstered Household Furniture 1977-1982	Metal Household Furniture 1977-1982	Mattresses and Bedsprings 1977-1982
Value of shipments (current $)	+ 4.0%	+ 3.6%	+ 4.0%	+ 6.7%
Value of shipments (1982 $)	- 3.9	- 2.1	- 1.9	- 0.4
Total employment	- 2.3	- 4.5	- 4.0	- 1.2
Production workers	- 2.6	- 4.6	- 4.7	- 1.6
Average hourly earnings	+ 8.2	+ 7.3	+ 7.3	+ 6.6
Capital expenditures	+ 3.2	+ 2.6	+ 2.2	+11.5

Source: U.S. Department of Commerce, International Trade Administration, 1986 Industrial Outlook.

The ITA estimated industry shipments (which include all products--both primary and secondary--made by manufacturers in the specified industry classification, plus miscellaneous receipts & contract work) at $16.9 billion in 1985, an increase of 5.9% over 1984. In terms of a constant dollar, eliminating the effects of inflation, furniture and bedding industry shipments were up 2.5% in 1985 over 1984, and a 2.0% gain is forecast by the ITA for 1986.

GENERAL INDUSTRY STATISTICS

Industry Shipments

Estimated Value of Furniture Industry Shipments, 1984, 1985
(Millions of dollars)

	Current Dollars		Constant (1982) Dollars		% Change 1985/1984	
	1985	1984	1985	1984	Current Dollars	Constant Dollars
Value of shipments, total	$16,908	$15,967	$15,487	$15,105	+ 5.9%	+ 2.5%
Wood household furniture	6,831	6,497	6,021	5,932	+ 5.1	+ 1.5
Upholstered household furniture	4,962	4,610	4,563	4,388	+ 7.6	+ 4.0
Metal household furniture	1,900	1,821	1,850	1,804	+ 4.3	+ 2.5
Mattresses & bedsprings	2,297	2,169	2,219	2,165	+ 5.9	+ 2.5

Value of Shipments Forecast: 1986/1985 (In Constant Dollars)

	% Change 1986/1985
Value of shipments, total	+ 2.1%
Wood household furniture	+ 1.5
Upholstered household furniture	+ 2.5
Metal household furniture	+ 1.5
Mattresses & bedsprings	+ 3.0

Note: The total value of shipments includes household furniture not elsewhere classified.

Source: U.S. Department of Commerce, International Trade Administration
1986 U.S. Industrial Outlook

A complete census of all manufacturers in the U.S. is compiled every five years by the U.S. Bureau of the Census. Results from the latest census, covering the year 1982, are summarized below. During intercensal years, the Bureau conducts annual surveys using a sample of manufacturers in order to develop estimates on key measurements of manufacturing activity.

According to the 1983 annual survey, the value of industry shipments of every measured category of furniture and bedding (including primary products and secondary as well as miscellaneous receipts) rose between 1982 and 1983, with increases ranging from 1.2 to 21.2%.

Profile of the U.S. Furniture & Bedding Manufacturing Industry 1977, 1982, 1983

Wood Household Furniture (SIC 2511*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	2,430	2,796	na
Number of establishments, total**	2,503	2,607	2,982	- 4.0%
Number with 20 or more employees	804	833	815	- 3.5
Employees, total (thous.)	125.7	125.6	140.8	+ 0.1
Production workers (thous.)	109.7	109.2	124.6	+ 0.5
Payroll (mil. $) (production workers)	$1,532.0	$1,402.7	$1,137.3	+ 9.3
Value added by manufacture# (mil. $)	3,088.5	2,715.0	2,235.0	+13.8
Value of industry shipments## (mil. $)	5,702.4	5,056.6	4,140.3	+12.8
Capital expenditures, new (mil. $)	111.5	119.1	101.6	- 6.4

Upholstered Household Furniture (SIC 2512*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	1,129	1,357	na
Number of establishments, total**	1,169	1,227	1,473	- 4.7%
Number with 20 or more employees	602	602	730	--
Employees, total (thous.)	72.5	70.6	89.1	+ 2.7
Production workers (thous.)	62.6	59.8	75.7	+ 4.7
Payroll (mil. $) (production workers)	$ 994.3	$ 849.9	$ 779.2	+17.0
Value added by manufacture# (mil. $)	1,990.8	1,745.3	1,437.3	+14.1
Value of industry shipments## (mil. $)	3,989.7	3,505.3	2,931.0	+13.8
Capital expenditures, new (mil. $)	61.5	57.2	50.4	+ 7.5

Metal Household Furniture (SIC 2514*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	413	405	na
Number of establishments, total**	436	454	448	- 4.0%
Number with 20 or more employees	209	205	213	+ 2.0
Employees, total (thous.)	28.3	27.0	33.2	+ 4.8
Production workers (thous.)	23.0	21.5	27.4	+ 7.0
Payroll (mil. $) (production workers)	$ 391.2	$ 362.4	$ 302.2	+ 7.9
Value added by manufacture# (mil. $)	836.4	807.0	637.4	+ 3.6
Value of industry shipments## (mil. $)	1,701.0	1,590.7	1,307.1	+ 6.9
Capital expenditures, new (mil. $)	23.1	25.4	22.8	- 9.1

(continued)

GENERAL INDUSTRY STATISTICS

Profile of the U.S. Furniture & Bedding Manufacturing Industry 1977, 1982, 1983 (continued)

Mattresses & Bedsprings (SIC 2515*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	786	832	na
Number of establishments, total**	898	902	962	- 0.4%
Number with 20 or more employees	355	336	355	+ 5.7
Employees, total (thous.)	25.6	25.4	27.0	+ 0.8
Production workers (thous.)	19.2	19.0	20.6	+ 1.1
Payroll (mil. $) (production workers)	$ 387.2	$ 357.4	$ 279.8	+ 8.3
Value added by manufacture# (mil. $)	907.3	882.4	616.6	+ 2.8
Value of industry shipments## (mil. $)	2,026.1	1,935.4	1,398.5	+ 4.7
Capital expenditures, new (mil. $)	34.7	25.0	14.5	+38.8

Wood TV & Radio Cabinets (SIC 2517*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	82	91	na
Number of establishments, total**	75	83	94	- 9.6%
Number with 20 or more employees	32	37	51	-13.5
Employees, total (thous.)	6.2	7.0	10.7	-11.4
Production workers (thous.)	5.4	5.9	9.3	- 8.5
Payroll (mil. $) (production workers)	$ 83.1	$ 88.6	$ 89.0	- 6.2
Value added by manufacture# (mil. $)	155.5	152.1	150.4	+ 2.2
Value of industry shipments## (mil. $)	310.3	306.6	304.8	+ 1.2
Capital expenditures, new (mil. $)	6.3	7.3	11.1	-13.7

Household Furniture Not Elsewhere Classified (SIC 2519*)

	1983	1982	1977	% Change 1983/1982
Number of companies	na	196	198	na
Number of establishments, total**	189	202	201	- 6.4%
Number with 20 or more employees	60	63	59	- 4.8
Employees, total (thous.)	7.7	7.4	8.7	+ 4.1
Production workers (thous.)	6.5	6.0	7.5	+ 8.3
Payroll (mil. $) (production workers)	$ 114.7	$ 100.7	$ 79.7	+13.9
Value added by manufacture# (mil. $)	219.1	153.3	131.0	+42.9
Value of industry shipments## (mil. $)	462.0	381.1	301.9	+21.2
Capital expenditures, new (mil. $)	12.4	11.9	10.4	+ 4.2

na not available

(see footnotes on next page)

GENERAL INDUSTRY STATISTICS

* Manufacturers are classified by industry under the Standard Industrial Classification (SIC) system determined by the principal product made, as shown below:

SIC 2511 comprises establishments primarily engaged in manufacturing wood household furniture used in dwellings, not including upholstered pieces, but including infants' and children's wood furniture and wood outdoor furniture.

SIC 2512 comprises establishments primarily manufacturing upholstered furniture on wood frames.

SIC 2514 covers establishments primarily engaged in manufacturing metal household furniture, padded or plain, but not dual-purpose sleep furniture.

SIC 2515 comprises manufacturers of mattresses (innerspring, box, etc.) and dual-purpose sleep furniture (studio couches, sofa beds, chair beds). This industry is referred to as the "Bedding Industry" in this Fact File.

SIC 2517 comprises manufacturers of wood TV, radio, phonograph and sewing machine cabinets.

SIC 2519 comprises establishments primarily manufacturing reed, rattan, and other wicker furniture, plastic and fiberglass household furniture and cabinets, and household furniture not elsewhere classified.

** An establishment covers a plant with one or more employees. It is a single physical location where manufacturing is performed and is classified on the basis of its major product in the specific year covered--which might change from one year to another.

Value added by manufacture is derived by subtracting the cost of finished products, materials, supplies, fuel, contract work, etc., from the value of shipments (including resales of finished products) plus the net change in the value of finished products and work-in-process inventories between the beginning and end of the year, without adjustment for price changes.

Value of industry shipments represents the net selling values, f.o.b. plant, after discounts and allowances, and excluding freight charges and excise taxes, and includes both products described as primary to the industry as well as secondary products and miscellaneous receipts. This value should be clearly distinguished from the total value of furniture and bedding manufactured by all producers, including those classified in other industries. This total product value is shown in the section on PRODUCT SHIPMENTS.

Source: U.S. Bureau of the Census:
1982 Census of Manufactures, MC82-I-25A;
Annual Survey of Manufactures, 1983;
County Business Patterns, 1983.

GENERAL INDUSTRY STATISTICS

Employment & Earnings

According to the Bureau of Labor Statistics, U.S. Labor Department, every measured category of household furniture recorded an increase in its employment level between 1982 and 1983. However, the Bureau reports that between 1983 and 1984, only the wood household furniture and upholstered household furniture registered increases in overall employment. Production worker employment has risen each year from 1982 and 1984.

As of October 1985, the only category to register an increase in employment (either total or production worker) was the upholstered segment which showed a gain of 1.6% in both groups.

The decline in employment for the furniture industry can almost assuredly be attributed to the increased competitiveness of foreign manufacturers. Factors aiding the foreign competition were the high value of the U.S. dollar and the lower labor costs outside the U.S. This has led many retailers to buy merchandise directly from overseas manufacturers while several U.S. manufacturers are now sourcing off-shore on a selective basis.

Employment & Earnings in the Household Furniture & Bedding Industry, 1983, 1984, October 1985

	October			Annual Average		
	1985(p)	1984	% Change 1985/1984	1984	1983	% Change 1984/1983
Wood household furniture:						
Total employees (thous.)	130.6	132.1	- 1.1%	132.0	125.7	+ 5.0%
Production workers (thous.)	113.8	115.0	- 1.0	114.8	108.6	+ 5.7
Average weekly earnings	$244.77	$234.00	+ 4.6	$228.31	$217.62	+ 4.9
Average weekly hours	39.8	40.0	- 0.5	39.5	39.0	+ 1.3
Average overtime hours	2.6	2.8	- 7.1	2.4	2.2	+ 1.9
Upholstered household furniture:						
Total employees (thous.)	94.7	93.2	+ 1.6	92.3	86.2	+ 7.1
Production workers (thous.)	77.9	76.7	+ 1.6	32.7	30.3	+ 7.9
Average weekly earnings	$280.86	$275.12	+ 2.1	$261.89	$250.37	+ 4.6
Average weekly hours	38.9	39.7	- 2.0	38.4	38.4	—
Average overtime hours	2.2	2.3	- 4.3	1.6	1.5	+ 6.7
Metal household furniture:						
Total employees (thous.)	25.8	26.4	- 2.3	26.5	28.0	- 5.4
Production workers (thous.)	20.6	20.9	- 1.4	22.6	21.3	+ 6.1
Average weekly earnings	$286.44	$267.06	+ 7.2	$258.80	$255.37	+ 1.3
Average weekly hours	40.4	39.8	+ 1.5	40.0	40.6	- 1.5
Average overtime hours	3.0	2.3	+30.4	2.5	2.8	-10.7
Mattresses & bedsprings:						
Total employees (thous.)	28.0	29.7	- 5.7	28.9	29.4	- 1.7
Production workers (thous.)	21.5	22.9	- 6.1	22.6	21.8	+ 3.7
Average weekly earnings	$268.87	$270.90	- 0.7	$267.78	$270.05	- 0.9
Average weekly hours	38.3	38.7	- 1.0	38.2	38.8	- 1.5
Average overtime hours	2.2	1.8	+22.2	1.7	2.3	-26.1

(p) preliminary

Source: U.S. Bureau of Labor Statistics, Employment & Earnings

GENERAL INDUSTRY STATISTICS

Concentration in the Industry

While most manufacturers of household furniture tend to be small operations with less than 20 employees, it is the large operations with more than 100 employees which dominate shipments.

Nearly seven out of every ten plants in the wood furniture segment had fewer than 20 employees, yet the one out of ten with 100 or more accounted for 72% of industry shipments, according to the 1982 census of manufactures.

As part of the census program, within the next few weeks the Census Bureau will issue further details on industry concentration in the report "Concentration Ratios in Manufacturing" (Subject Series MC82-S).

The Household Furniture & Bedding Industry
By Employment Size, 1982

	Establishments		Value added by Manufacture		Industry Shipments	
	Number	Percent	Mil. $	Percent	Mil. $	Percent
Wood household furniture, total	2,607	100.0%	$2,715.0	100.0%	$5,056.6	100.0%
By establishment size:						
Under 20 employees	1,774	68.0	201.5	7.4	389.8	7.7
20 - 49 employees	377	14.5	250.1	9.2	499.8	9.9
50 - 99 employees	178	6.8	284.6	10.5	524.4	10.4
100 - 499 employees	231	8.9	1,167.8	43.0	2,147.7	42.4
500 or more employees	47	1.8	811.0	29.9	1,494.9	29.6
Upholstered household furniture, total	1,227	100.0	$1,745.3	100.0	$3,505.3	100.0
By establishment size:						
Under 20 employees	625	50.9	92.4	5.3	189.4	5.4
20 - 49 employees	246	20.0	175.7	10.1	355.3	10.1
50 - 99 employees	174	14.2	292.3	16.7	592.2	16.9
100 - 499 employees	165	13.4	837.2	48.0	1,732.0	49.4
500 or more employees	17	1.4	347.7	19.9	636.4	18.2
Metal household furniture, total	454	100.0	$ 807.0	100.0	$1,590.7	100.0
By establishment size:						
Under 20 employees	249	54.8	41.9	5.2	87.1	5.5
20 - 49 employees	75	16.5	63.0	7.8	134.6	8.5
50 - 99 employees	48	10.6	108.3	13.4	213.7	13.4
100 - 499 employees	76	16.7	436.6	54.1	873.9	54.9
500 or more employees	6	1.3	157.2	19.5	281.4	17.7
Mattresses & bedsprings, total	902	100.0	$ 882.4	100.0	$1,935.4	100.0
By establishment size:						
Under 20 employees	566	62.7	117.0	13.3	269.0	13.9
20 - 49 employees	195	21.6	216.6	24.5	476.5	24.6
50 - 99 employees	96	10.6	264.1	29.9	570.6	29.5
100 - 499 employees	44	4.9				
500 or more employees	1	0.1	284.6	32.2	619.3	32.0

(continued)

Concentration in the Industry (continued)

The Household Furniture & Bedding Industry
By Employment Size, 1982
(continued)

	Establishments		Value added by Manufacture		Industry Shipments	
	Number	Percent	Mil. $	Percent	Mil. $	Percent
Wood T.V. & radio cabinets, total	83	100.0%	$ 152.1	100.0%	$ 306.6	100.0%
By establishment size:						
Under 20 employees	46	55.4	5.2	3.4	9.8	3.2
20 - 49 employees	16	19.3	10.1	6.6	22.7	7.4
50 - 99 employees	9	10.8	13.7	9.0	26.8	8.7
100 - 499 employees	8	9.6	49.7	32.7	97.8	31.9
500 or more employees	4	4.8	73.4	48.3	149.5	48.8
Household furniture, n.e.c., total	202	100.0	153.3	100.0	381.1	100.0
By establishment size:						
Under 20 employees	139	68.8	15.1	9.9	32.4	8.5
20 - 49 employees	33	16.3	28.1	18.3	60.0	15.7
50 - 99 employees	13	6.4	22.2	14.5	43.3	11.4
100 - 499 employees	16	7.9	88.0	57.4	245.3	64.4
500 or more employees	1	0.5				

n.e.c. not elsewhere classified.

Source: U.S. Bureau of the Census,
Census of Manufacturers, 1982 MC82-I-25A

Number of Manufacturing Establishments in the Furniture & Bedding Industry
By Employment Size & Total Employment, 1983

	SIC 251 Household Furniture		SIC 2511 Wood Household Furniture		SIC 2512 Upholstered Household Furniture		SIC 2514 Metal Household Furniture	
	Estabs.	Employees	Estabs.	Employees	Estabs.	Employees	Estabs.	Employees
Total establishments	5,285	262,738	2,503	123,248	1,169	70,743	436	29,109
Number by employment size:								
Under 20 employees	3,223	na	1,699	9,194	567	na	227	1,593
20-49 employees	934	29,184	355	11,115	247	7,899	81	2,490
50-99 employees	510	35,878	180	12,723	161	11,337	43	3,224
100-499 employees	540	114,321	226	52,325	177	35,169	75	14,745
500-999 employees	64	41,955	33	21,688	15	9,536	10	7,057
1,000 or more	na	na	10	16,203	2	na	—	—

(continued)

GENERAL INDUSTRY STATISTICS

Concentration in the Industry

Number of Manufacturing Establishments in the Furniture & Bedding Industry By Employment Size & Total Employment, 1983

	SIC 2515 Mattresses & Bedsprings		SIC 2517 Wood TV & Radio Cabinets		SIC 2519 Household Furniture, n.e.c	
	Estabs.	Employees	Estabs.	Employees	Estabs.	Employees
Total establishments	898	25,953	75	6,013	189	7,626
Number by employment size:						
Under 20 employees	543	na	43	258	129	na
20-49 employees	206	6,248	15	511	30	921
50-99 employees	103	6,987	9	626	14	981
100-499 employees	45	8,275	2	4,618	15	na
500-999 employees or more	1	na	6		1	na

n.e.c. not elsewhere classified
na not available

Source: U.S. Bureau of the Census, County Business Patterns, 1983

Big Employers (Plants) & Their Share of Furniture Industry Shipments, 1984

	Number of plants		% of Industry Shipments Accounted for by plants with 100+ Employees
	With 20+ Employees	With 100+ Employees	
Wood household furniture (SIC 2511*)	925	330	80%
Upholstered household furniture (SIC 2512*)	848	251	69
Metal household furniture (SIC 2514*)	258	104	79
Mattresses & bedding (SIC 2515*)	450	75	51
Wood T.V. & radio cabinets (SIC 2517*)	30	16	94
Household furniture n.e.c. (SIC 2519*)	85	19	57

n.e.c. not elsewhere classified
* For definitions of SIC codes, see page 6.

Source: Sales & Marketing Management, "Survey of Industrial Buying Power", April 1985. All Rights Reserved.

GENERAL INDUSTRY STATISTICS

Concentration in the Industry

According to the 1982 census of manufactures, of the 2,430 companies classified in the wood household furniture industry (SIC 2511), 182 were multi-unit companies, operating 359 plants (out of a total of 2,607). These companies accounted for 65% of total employment in the industry, 65% of value added by manufacture within the industry, and 65% of industry shipments.

Of the 1,129 companies operating in the upholstered furniture industry in 1982, only 105 were multi-unit companies. These 105 companies had 203 plants (16.5% of the total), accounted for about 53% of total industry employment, had a 59% share of the value added by manufacture in the industry, and accounted for 46% of the value of industry shipments.

In the bedding industry, 72 out of the 786 companies classified in this industry in 1982 were multi-unit companies. Although these larger companies had only 188 plants, or 21% of the total count, they accounted for 46% of total employment; 52% of the industry's value added by manufacture, and 51.3% of the total value of bedding and related products shipped within the industry.

In looking at furniture company growth patterns in 1984, the national accounting firm Seidman & Seidman reported that the large companies (over $40 million in annual volume) realized the most growth. These companies grew 19.2%, while medium-sized companies ($10-$40 million volume) grew 14%. The small companies (under $10 million) reported 13.6% growth, but did show the most improvement from a poor previous year.

Operating Ratios

Selected Operating Radios for the Household Furniture Industry
Selected Years: 1977-1982

	Payroll Per Employee	Production Workers: % of Total Employment	Average Annual Hours: Production Workers	Cost of Materials: % of Value of Shipments
Household furniture:				
Wood				
1982	$11,168	87%	1,806	46%
1980	9,920	87	1,890	46
1977	8,078	88	1,963	46
Upholstered				
1982	12,038	85	1,766	74
1980	10,778	84	1,888	79
1977	8,749	85	1,817	78
Metal				
1982	13,422	80	1,944	49
1980	10,927	83	1,863	51
1977	9,102	82	1,881	52

(continued)

Operating Ratios

Selected Operating Radios for the Household Furniture Industry
Selected Years: 1977-1982
(continued)

	Payroll Per Employee	Production Workers % of Total Employment	Average Annual Hours: Production Workers	Cost of Materials: % of Value of Shipments
Wood TV & Radio Cabinets				
1982	12,657	84	1,831	50
1980	10,733	87	1,892	50
1977	8,308	86	1,889	50
Other (SIC 2519)				
1982	13,608	81	1,950	59
1980	12,000	84	1,895	56
1977	9,169	85	1,912	57
Bedding				
1982	14,071	75	1,874	54
1980	12,277	75	1,885	53
1977	10,353	76	1,910	56

Source: 1982 Census of Manufactures,
Industry Series: MC82-1-25a

Plant Capacity

For the fourth quarter of 1983, household furniture plants operated at 78% of the industry's preferred level of capacity, 10 percentage point above the level for the corresponding quarter of 1982. The preferred level is defined as a level, normally between actual operations and practical capacity, which the manufacturer would prefer not to exceed due to costs or other considerations. The following figures represent the ratio of actual utilization to the preferred level of operations.

Capacity Utilization Rates in the Household Furniture Industry:
Fourth Quarters 1980-1983

	1983	1982	1981	1980
Household furniture	78	67	77	76
Wood	72	62	76	75
Upholstered	92	77	80	79
Metal	87	73	71	73
Wood TV, radio cabinets		(not reported)		
Other (SIC 2519)	73	60	88	92
Bedding	na	68	77	73

na not available

Source: U.S. Bureau of the Census, Current Industrial Reports
Survey of Plant Capacity M2-C1

GENERAL INDUSTRY STATISTICS

Leading Manufacturers

Major changes have occurred in the manufacturing structure of the furniture industry in recent years. It has been a period of consolidations, brought on by the recession of four years ago, competition from imports and a growth of public companies. Mergers and consolidations that started about 20 years ago mainly involved the acquisition of furniture operations by companies not in the furniture industry. Now the trend has been for these companies, such as Burlington Industries and Scott Paper, to divest themselves of their furniture properties. As a result, furniture companies have been buying other furniture companies.

Following is a list of the top 10 furniture companies, based on 1984 sales, from a list of the top 50 compiled by HFD. Acquisitions during the year swelled the volume of many on the list in 1984 compared with 1983.

Volume Leaders in Furniture & Bedding Manufacturing
(Sales in millions)

		1984	1983
1.	Interco (Broyhill, Ethan Allen)	550*	$ 539
2.	Sealy, Inc.	485**	461
3.	Bassett Furniture Industries	398*	342
4.	Mohasco (Stratford, Trend Line, Stratolounger, Barcolounger, Peters Revington, Chromcraft, Avon, Super Sagless)	347*	305
5.	La-Z-Boy	255	197
6.	Ohio Mattress (Ohio Sealy, Stearns & Foster, Monterey, Lifetime Foam)	251	99
7.	The Lane Co., Inc. (Lane, Action, HTB, Hickory Tavern, Pearson)	285	227
8.	Simmons, U.S.A.	241	220
9.	Serta	235**	na
10.	Thomasville/Armstrong	230	205

* Estimate
** Includes licensed manufacturing
na not available

Source: HFD (The Weekly Home Furnishings Newspaper), March 18, 1985.

Regional Information

California had the greatest number of plants in four of the six major components of the furniture industry. North Carolina was the leading state in the number of upholstered furniture plants.

On the value of shipment basis, California led in four furniture classifications. Other leading states included New York, in wood furniture; and North Carolina, in upholstered furniture.

GENERAL INDUSTRY STATISTICS

By Regional Information

Leading Manufacturing States in the Household Furniture Industry

	Total	With 20+ Employees	Value added by Manufacture Mil.$	Value of Shipments (Mil. $)
Wood household furniture (SIC 2511*)				
U.S. total	2,607	833	$2,715.0	$5,056.6
Leading states:				
California	480	147	315.6	581.2
North Carolina	219	128	773.6	1,445.8
New York	208	50	111.8	191.7
Florida	179	26	46.9	91.6
Pennsylvania	96	32	77.4	146.0
Tennessee	94	42	125.7	234.7
Massachusetts	92	26	55.4	101.0
Texas	79	20	41.1	80.6
Georgia	75	21	52.4	105.2
Leading states total	1,552	492	1,599.9	2,977.8
Percent of U.S. total	59.5%	59.1%	58.9%	58.9%
Upholstered household furniture (SIC 2512*)				
U.S. total	1,227	602	$1,761.5	$3,505.3
Leading states:				
North Carolina	257	159	578.8	1,163.5
California	215	89	183.7	370.5
Tennessee	85	52	157.3	307.9
Mississippi	74	52	254.4	537.2
New York	68	13	28.0	55.1
Texas	51	33	45.7	88.3
Florida	41	12	(D)	(D)
Pennsylvania	40	16	46.7	91.0
Leading states total	831	426	na	na
Percent of U.S. total	67.7%	70.8%	na	na
Metal household furniture (SIC 2514*)				
U.S. total	454	205	$ 807.0	$1,590.7
Leading states:				
California	81	45	193.5	338.1
New York	62	18	45.6	82.6
Florida	56	22	41.3	83.2
Illinois	28	14	70.2	158.1
Pennsylvania	28	16	39.1	88.3
Texas	21	11	47.5	88.5
North Carolina	20	14	54.7	119.0
Leading states total	296	140	491.9	957.8
Percent of U.S. total	65.2%	68.3%	61.0%	60.2%

(continued)

GENERAL INDUSTRY STATISTICS

By Regional Information

Leading Manufacturing States in the Household Furniture Industry
(continued)

	Establishments		Value added by Manufacture	Value of Shipments
	Total	With 20+ Employees	Mil.$	(Mil. $)
Mattresses & bedsprings (SIC 2515*)				
U.S. total	902	336	$ 882.4	$1,935.4
Leading states:				
California	118	46	143.6	326.0
Texas	78	27	81.9	183.9
Florida	60	21	63.9	131.0
New York	53	15	28.9	58.7
Illinois	36	13	33.6	75.2
North Carolina	34	18	na	na
Ohio	33	15	43.7	101.0
Georgia	31	17	42.9	89.6
Pennsylvania	31	18	28.9	62.8
Leading states total	474	190	na	na
Percent of U.S. total	52.5%	56.5%	na	na
Wood TV & radio cabinets (SIC 2517*)				
U.S. total	83	37	$ 152.1	$ 306.6
Leading states:				
California	26	12	20.1	39.9
New York	14	5	8.2	18.1
Indiana	5	4	na	na
Missouri	3	2	na	na
Arkansas	2	2	na	na
Tennessee	2	1	na	na
North Carolina	1	1	na	na
Pennsylvania	1	1	na	na
Leading states total	43	28	na	na
Percent of U.S. total	52.5%	75.7%	na	na
Household furniture, n.e.c. (SIC 2519*)				
U.S. total	202	63	$ 153.3	$ 381.1
Leading states:				
Florida	43	12	17.9	36.1
California	31	9	17.1	38.5
New York	18	5	5.6	9.5
Illinois	12	4	na	na
Texas	11	3	3.5	8.5
Ohio	6	5	na	na
Pennsylvania	6	2	na	na
Leading states total	127	40	na	na
Percent of U.S. total	62.9%	63.5%	na	na

* For definitions of SIC codes see page 6.
na not available
n.e.c. not elsewhere classified.

Source: U.S. Bureau of the Census,
Census of Manufactures, 1982 MC82-I-25A

PRODUCTION

Physical output in the domestic household furniture industry, as measured by the Federal Reserve Board, registered a decline of 1.6% in 1985 compared with 1984. Office furniture and other nonhousehold components of the index for furniture/fixtures production, however, registered a gain.

An improvement in production is anticipated in 1986. The national accounting firm, Seidman and Seidman, Grand Rapids, Michigan, which tracks industry developments, expects furniture production to increase to about 3% in real terms.

Industrial Production Indexes, Annual Averages 1980-1985
(1977=100)

	1985	1984	1983	1982	1981	1980	% Change 1985/84
Total industrial production	124.5	121.8	109.2	103.1	111.0	108.6	+2.2%
All manufacturing	127.1	123.9	110.2	102.2	110.5	108.2	+2.6
Furniture & fixtures, total	141.6	136.7	118.2	104.5	109.9	108.9	+3.6
Household furniture	112.8	114.7	103.2	88.7	97.4	97.9	-1.6

Source: Board of Governors,
Federal Reserve System, (G.12.3)

PRODUCT SHIPMENTS

Furniture & Bedding

Product shipments -- as opposed to industry shipments covered in foregoing data -- include all products of a specified type, regardless of the industry classification of the producer. Industry shipments, on the other hand, cover both primary and secondary products made within a specific industry classification. For reporting purposes under the Census Bureau system, a manufacturer is classified in only one industry based on its primary product.

Several sources measure progress in the furniture indsutry in terms of the value of shipments. These show a stronger performance for the year 1985 than indicated in the FRB production indexes.

According to the International Trade Administration, U.S. Department of Commerce, product shipments of household furniture, adjusted for inflation, increased an estimated 2.5% in 1985, following average annual real growth of 8.8% in 1983 and 1984. Upholstered furniture continued to outpace other household furniture sectors, growing at a real rate of 4%. This growth is attributed to a strong demand for recliners and for modular furniture.

The ITA expects contant-dollar domestic shipments of furniture to grow between 2.5 and 3.5% compounded annually during the next five years. Total domestic shipments in 1986, alone, are expected to be up about 2.0% in constant dollars, with bedding products up 3.0%; upholstered, 2.5%.

PRODUCT SHIPMENTS

Furniture & Bedding

The forecast for total household furniture shipments in 1985, compiled by the ITA, amounted to $16,333 million, up 5.9% in current dollars compared with 1984, and up 2.5% when adjusted for inflation. Wood household furniture accounted for 40% of the 1985 total; upholstered, 28.7%; metal, 11.0%; mattresses and bedsprings, 14.9%.

Household Furniture Shipments By U.S. Manufacturers, 1982-1986

	Millions of Dollars (Current$)				Percent Increase (1982$)			
	1985*	1984	1983	1982	1986/85**	1985/84	1984/83	1983/82
Total	$16,333	$15,423	$13,720	$12,353	2.1	2.5	9.0	8.5
Wood household furniture	6,538	6,217	5,457	4,846	1.5	1.5	8.5	7.9
Upholstered furniture	4,692	4,359	3,773	3,320	2.5	4.0	12.5	11.0
Metal household furniture	1,792	1,717	1,604	1,517	1.5	2.5	7.0	5.3
Mattresses & springs	2,432	2,297	2,146	2,043	3.0	2.5	6.0	5.9

* Estimate
** Forecast

Source: U.S. Department of Commerce,
International Trade Administration,
1986 U.S. Industrial Outlook

Seidman & Seidman has estimated 1985 shipments of wood and upholstered furniture at $12.2 billion compared with $11.3 billion in 1984, and projects a 1986 total at about $13 billion. The continued drop in oil prices, bringing lower interest rates, has triggered a jump in housing sales beyond expectations when early forecasts for 1986 were made, and the year may well be stronger for furniture business than had been anticipated.

Reporting at an economic outlook conference in December 1985, the American Furniture Manufacturers Association expected furniture shipments in 1986 (not including bedding) would total $14.6 billion compared to $13.5 billion in 1985. Industry shipments by this source were projected to $16.3 billion in 1987.

Shipments of wood household furniture were projected by the AFMA to total $7 billion in 1986, $7.8 billion in 1987; upholstered: $5.1 billion in 1986, $5.6 billion in 1987; metal furniture and other furniture categories: $2.5 billion in 1986, $2.8 billion in 1987.

PRODUCT SHIPMENTS

Furniture & Bedding

The trend in furniture shipments and orders for the year 1985 compared with the 1984 period was reported by the AFMA as follows:

Household Furniture Shipments, Orders Booked & Unfilled Orders At Year End

	Percent Change, 1985/1984		
	Orders Booked	Shipments	Unfilled Orders
Total	+ 6.9	+ 6.2	+ 5.6
Upholstered furniture	+ 9.3	+ 7.4	+ 8.5
Recliners	+ 4.7	+ 2.2	--
Case goods	+ 5.5	+ 5.5	+ 4.4
Occasional	+ 6.4	+14.3	+34.7
Dining room	+ 0.2	- 1.6	+ 4.2
Bedroom	+ 2.8	- 2.6	-12.2

Source: American Furniture Manufacturers Association, Survey of Current Business (March 11, 1986)

Furniture By Type

Monthly Pattern in Furniture Orders Booked, 1985
(Based on AFMA Value Indexes)

	Total	Upholstered Furniture	Goods
Year 1985	100.0%	100.0%	100.0%
January	7.6	7.5	8.7
February	8.2	7.8	7.9
March	9.1	9.4	8.1
April	7.9	8.3	6.6
May	8.1	7.6	8.1
June	7.7	7.6	7.9
July	7.0	6.1	8.6
August	8.8	10.5	8.9
September	8.9	9.0	9.0
October	9.5	9.5	10.2
November	9.4	9.3	9.2
December	7.8	7.4	6.8

Source: Based on American Furniture Manufacturers Association reports.

PRODUCT SHIPMENTS

Furniture By Type

The latest official data on product shipments in the furniture industry is from the 1983 Annual Survey of Manufactures, compiled by the U.S. Census Bureau in intercensual years. According to the ASM, the value of furniture shipments (excluding bedding) increased 12.6% between 1982 and 1983, reaching $11.6 billion.

The largest increase in shipments during the period was in the outdoor/unpainted/unassembled furniture category, which recorded a gain of almost 30% during the period. The climb of knock-down furniture as well as small-scale furniture is expected to continue as consumers move to smaller house and are forced to conserve on space.

Value of Shipments of Household Furniture
By All U.S. Producers, 1982, 1983

	Value of Shipments (Mil. $)		% Change
	1983	1982	1983/1982
Total reported	$11,574.1	$10,310.2	+ 12.3%
Wood household furniture, total	5,457.4	4,846.1	+ 12.6
Living room, family room & den furniture	1,356.4	1,221.7	+ 11.0
Dining room, kitchen furniture, except cabinets	1,171.7	1,014.7	+ 15.4
Bedroom furniture	1,716.6	1,515.7	+ 13.3
Infants' & children's furniture	188.0	158.8	+ 18.4
Outdoor & unpainted, unassembled furniture	323.0	249.9	+ 29.2
Wood household furniture, n.s.k.	691.6	685.4	+ 0.9
Upholstered wood household furniture	3,772.8	3,319.8	+ 13.6
Metal household furniture, total	1,604.2	1,517.4	+ 5.7
Dining & dinette furniture	388.5	360.7	+ 7.7
Kitchen furniture	63.3	61.8	+ 2.4
Porch, lawn, outdoor & casual furniture	400.1	399.4	+ 0.2
Other metal household furniture	591.0	539.2	+ 9.6
Metal household furniture, n.s.k.	161.3	156.3	+ 3.2
Wood TV and radio cabinets	338.4	302.4	+ 11.9
Household furniture, n.e.c.	401.3	324.5	+ 23.5

n.s.k. not specified by kind
n.e.c. not elsewhere classified

Source: U.S. Bureau of the Census,
Annual Survey of Manufactures, 1983:
Value of Product Shipments M83(AS)-2,
1982 Census of Manufactures

PRODUCT SHIPMENTS

Furniture By Type

The most comprehensive reports on quantity and value of shipments of furniture products shipped by all manufacturers are published in the 1982 Census of Manufactures reports. The census covers all manufacturers, and reports are much more detailed than the ASM reports. Comparisons are shown in the following table with the 1977 census data.

Quantity & Value of Shipments of Household Furniture, by All Producers, Detailed by Type, 1977, 1982

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Wood household furniture, total	na	na	—	$4,846.1	$3,890.7	+ 24.6%
Wood living room, library, family room & den furniture, except sewing machine cabinets	na	na	—	1,221.7	859.8	+ 42.1
Cabinets, including record, music etc., excl. sewing machine, radio, phono & TV cabinets	na	na	—	129.2	61.6	+109.7
Chairs, except dining room chairs	na	2,019.8	—	62.6	48.1	+ 30.1
Rockers	na	494.7	—	37.1	23.4	+ 58.5
Tables, except card & phone tables	6,010.4	9,844.0	- 38.9%	499.5	441.4	+ 13.2
Desks	na	535.8	—	137.7	58.0	+137.4
Credenzas, bookcases & bookshelves, except wall units	na	na	—	71.7	77.4	- 7.8
Wall units, desks, bookcases & storage types	na	na	—	123.5	90.7	+152.2
Other nonupholstered living room furniture	na	na	—	105.3		
Wood living room, library, family room, & den furniture, except sewing machine cabinets, n.s.k.	na	na	—	55.0	59.2	- 7.1
Wood dining room & kitchen furniture, except cabinets	na	na	—	1,014.7	962.6	+ 5.4
Tables, 30 x 40 inches or more, dining room	na	1,673.8	—	250.7	222.4	+ 12.7
Chairs, dining room	6,049.2	10,526.9	- 42.5	378.8	375.6	+ 0.9
Buffets & servers, dining room	468.1	795.9	- 41.1	107.8	132.5	- 18.6
China & corner cabinets, dining room	669.7	588.7	+ 13.7	156.4	128.0	+ 22.7
Other dining & kitchen furniture	na	na	—	83.8	43.2	+ 85.4
Wood dining room & kitchen furniture excl. cabinets, n.s.k.	na	na	—	37.3	56.6	+ 34.1

(continued)

PRODUCT SHIPMENTS

Furniture By Type

Quantity & Value of Shipments of Household Furniture, by All Producers Detailed by Type, 1977, 1982
(continued)

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Wood bedroom furniture	na	na	—	$1,515.7	$1,290.3	+ 17.5%
Beds, excl. headboards & headboard beds, bunk beds, cribs, cradles, Hollywood beds & youth beds	na	1,626.4	—	188.1	110.3	+ 70.5
Headboards & headboard beds, incl. padded	na	3,553.9	—	188.2	168.8	+ 11.5
Bunk beds, excl. mattresses & detachable springs	na	446.1	—	48.7	30.4	+ 60.2
Dressers, vanities & dressing tables	1,967.4	3,075.8	- 36.0	325.8	343.9	- 5.3
Wardrobes, chifforobes, armoires & wardrobe-type cabinets	na	204.7	—	76.8	44.4	+ 73.0
Chest of drawers	2,099.5	2,722.3	- 22.8	257.6	226.2	+ 13.9
Cedar chests	219.2	256.5	- 14.5	34.9	26.4	+ 32.2
Night tables & stands	2,221.7	2,899.0	- 23.4	161.2	133.5	+ 20.7
Other nonupholstered bedroom furniture	205.3	na	—	165.5	123.6	+ 33.9
Wood bedroom furniture, n.s.k.	na	na	—	69.1	82.8	- 16.5
Infants' & children's wood furniture	na	na	—	158.8	118.8	+ 33.7
Cribs, incl. springs sold as part of crib	na	(S)	—	74.8	47.7	+ 56.8
Other infants' & children's furniture	na	na	—	83.8	59.3	+ 41.3
Infants' & children's wood furniture, n.s.k.	na	na	—	0.1	11.8	- 99.2
Wood outdoor furniture, unpainted wood furniture & unassembled & knock-down wood furniture	na	na	—	249.9	185.8	+ 34.5
Porch, lawn, beach & similar wood furniture: chairs, rockers, benches & chaise lounges, incl. steamer & deck chairs	na	2,468.7	—	62.4	53.2	+ 17.3
Other wood porch, lawn, beach & similar furniture	na	na	—	37.5	24.3	+ 54.3
Unpainted wood furniture (furniture-in-the-white): Chest of drawers	na	na	—	88.4	50.4	+ 75.4
Unassembled or knock-down furniture, unpainted or finished, sold in kits	na	na	—	49.2	46.7	+ 5.4
Wood outdoor funiture, unpainted wood furniture & unassembled & knock-down wood furniture, n.s.k.	na	na	—	12.5	11.2	+ 11.6
Wood household furniture, n.s.k.	na	na	—	685.4	473.7	+ 44.7

(continued)

PRODUCT SHIPMENTS

Furniture By Type

Quantity & Value of Shipments of Household Furniture, by All Producers, Detailed by Type, 1977, 1982
(continued)

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Upholstered wood furniture, total	na	na	—	$3,319.8	$2,735.7	+ 21.4%
Sofa, davenports (excl. dual-purpose), settees & love seats excl. chairs sold as part of suites & sectional sofa pieces	6,414.8	6,729.1	- 4.7%	1,397.7	1,194.2	+ 17.0
Chairs, except reclining	3,737.2	5,077.8	-26.4	510.0	469.4	+ 8.6
Sectional sofa pieces, incl. pieces seating one person	639.1	801.4	+20.2	132.9	106.0	+ 25.4
Rockers, incl. swivel rockers	na	1,438.0	—	137.3	120.6	+ 13.8
Reclining chairs, all types	3,037.0	3,504.8	-13.3	524.7	352.9	+ 48.7
Other upholstered wood household furniture	na	na	—	111.1	99.4	+ 11.8
Upholstered household furniture, n.s.k.	na	na	—	506.1	393.2	+ 28.7
Metal household furniture, total	na	na	—	1,517.4	1,231.2	+ 23.2
Metal household dining, dinette & breakfast furniture	na	na	—	360.7	319.1	+ 13.0
Tubular metal, incl. chairs whether padded or plain:						
Sets (tables & chairs)	1,387.8	2,260.9	- 38.6	266.6	246.1	+ 8.3
Tables (not sold with a set)	857.2	675.3	+ 26.9	33.0	16.9	+ 95.3
Chairs (not sold with a set)	997.1	923.7	+ 7.9	18.4	13.4	+ 37.3
Other metal dinette, dining & breakfast furniture	na	na	—	41.2	35.7	+ 15.4
Metal household dining, dinette & breakfast furniture, n.s.k.	na	na	—	1.5	7.0	- 78.6
Metal kitchen furniture	na	na	—	61.8	73.4	- 15.8
Kitchen furniture, excl. furniture reported as "dining, dinette & breakfast furniture":						
Cabinets (base, top, base wall, utility, etc)	744.9	na	—	27.2	49.6	- 45.2
Stools, padded & plain	975.5	1,142.5	- 14.6	25.6	17.2	+ 48.8
Tables, incl. hostess carts	na	307.1	—	5.3	5.5	- 3.6
Metal kitchen furniture, n.s.k.	na	na	—	3.7	1.1	+236.4
Metal porch, lawn, outdoor & casual furniture	na	na	—	399.4	275.9	+ 44.8
Tubular aluminum:						
Chairs, rockers, benches, chaise lounges & settees	3,893.3	11,304.0	- 65.5	215.6	122.5	+ 76.0
Other tubular aluminum porch, lawn & outdoor furniture	na	na	—	55.8	29.2	+ 91.1

(continued)

PRODUCT SHIPMENTS

Furniture By Type

Quantity & Value of Shipments of Household Furniture, by All Producers, Detailed by Type, 1977, 1982
(continued)

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Cast & wrought iron:						
Chairs, rockers, benches, chaise lounges & settees	819.4	1,221.1	- 32.9	$ 46.1	$ 44.7	+ 3.1
Other cast & wrought iron porch, lawn & outdoor furniture	na	na	—	35.1	15.5	+ 26.5
Other metal porch, lawn, outdoor & casual furniture	na	na	—	27.0	37.4	- 27.8
Metal proch, lawn, outdoor & casual furniture	na	na	—	19.8	26.6	- 25.6
Other metal household furniture	na	na	—	539.2	445.5	+ 21.0
Folding cots, rollable cots, army cots, & other metal beds	921.6	687.7	+ 34.0	57.5	15.6	+268.6
Metal bed frames(with or without a headboard)	na	6,797.4	—	93.2	77.8	+ 19.8
Upholstered metal household furniture	na	na	—	9.9	12.4	- 20.2
Card tables & chairs	na	na	—	na	na	—
Medicine cabinets, incl. wall type & insert type	2,371.9	3,804.4	- 37.6	70.9	72.1	- 1.7
Metal radio, phonograph, TV & hi-fi cabinets	na	295.4	—	na	5.1	—
Infants' high chairs	1,000.0	985.2	+ 1.5	20.8	12.2	+ 70.5
Infants' car seats	1,032.0	1,051.3	- 1.8	35.6	19.7	+ 80.7
Other infants' & children's metal furniture	2,026.2	3,066.5	- 33.9	60.0	47.6	+ 26.1
Other metal household furniture	na	na	—	130.1	na	—
Other metal household furniture, n.s.k.	na	na	—	11.7	32.5	- 64.0
Metal household furniture, n.s.k.	na	na	—	156.3	117.3	+ 33.2
Wood TV & radio cabinets, total	na	na	—	302.4	312.8	- 3.3
Console phono cabinets & audio cabinets, incl. radio, phono & hi-fi cabinets	na	1,450.5	—	51.3	82.3	- 37.7
TV cabinets & combinations, TV, hi-fi & radio	3,753.4	4,512.9	- 16.8	211.9	171.1	+ 23.8
Sewing machine cabinets	246.2	651.5	- 62.2	24.6	41.7	- 59.0
Wood TV, radio & sewing machine cabinets, n.s.k.	na	na	—	14.6	17.7	- 17.5

(continued)

PRODUCT SHIPMENTS

Furniture By Type

Quantity & Value of Shipments of Household Furniture, by All Producers, Detailed by Type, 1971, 1982
(continued)

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Household furniture, n.e.c., total	na	na	—	$ 324.5	$ 281.8	+ 15.2%
Plastics & fibrous glass cainets incl. radio, TV, phono, hi-fi & combinations	na	na	—	89.3	85.1	+ 4.9
Reed & rattan furniture, incl. willow, wicker & cane	na	na	—	87.3	42.4	+105.9
Other plastics & fibrous glass household furniture, excl. cabinets	na	na	—	88.2	87.3	+ 1.0
Other household furniture, except wood, metal, plastics or fibrous glass, incl. corrugated furniture	na	na	—	26.9	35.5	- 24.2
Household furniture, n.e.c., n.s.k.	na	na	—	32.8	31.5	+ 4.1

na not available n.e.c. not elsewhere classified n.s.k. not specified by kind.

Source: U.S. Bureau of the Census,
1982 Census of Manufactures,
Industry Series (MC82-I-25A.)

Bedding

Fourth quarter 1985 unit sales, up 6.7% from a year earlier, along with wholesale dollars up 8.4%, brought a strong close to 1985's conventional bedding sales, according to the National Association of Bedding Manufacturers. However, soft business conditions in earlier months resulted in an overall unit gain for the year 1985 of 1.4% and a dollar gain of close to 5% compared with 1984.

Innerspring mattress sales for the last quarter were up 6.7% in units and 9.6% in dollars. Spring foundations were up 7.1% in both units and dollars; foam mattresses showed a small gain (1.6%) in units, but dollars were up 6% in the last 1985 quarter. Foam foundations, with a unit gain of 6.3%, showed a strong dollar gain of 16.6%.

The latest available figures for waterbed sales are for 1983, and are in terms of retail sales. In that year, 2.5 million units were sold, an increase of 23% over 1982, and waterbeds accounted for 18% of the bedding market, according to Facts Consolidated of Los Angeles, based on a survey for the Waterbed Manufacturers Association. Retail sales of frames and related case goods hit almost $1.3 billion in 1983 compared with $937 million in 1982. Sales of 3 million units, valued at retail at $2.5 billion were projected for 1984.

The U.S. Bureau of the Census, 1983 Annual Survey of Manufactures, shows the value of product shipments of mattresses, and bedsprings, etc., increased by 5.1% in 1983, climbing to $2.1 billion. The main cause of the increase was a jump in shipments of conventional waterbeds. Value of shipments was up over 40% in the year, reaching $58.3 billion.

PRODUCT SHIPMENTS

Bedding (continued)

The largest bedding category, innerspring mattresses, recorded a gain of 8.3% in 1983 and accounted for about 35% of overall shipments.

Comparisons of findings on bedding shipments in 1983, based on the ASM, and in 1982, based on the Census of Manufactures, are shown in the table below. This is followed by detailed information on 1982 and 1977 shipments by product type, available only on census reports.

Value of Shipments of Bedding
By All U.S. Producers, 1982, 1983

	(Mil. $)		% Change
	1983	1982	1983/1982
Bedding, total	$2,145.8	$2,042.6	+ 5.1%
Innerspring mattresses, except crib size	763.6	705.3	+ 8.3
Other mattresses, including crib size	161.2	159.1	+ 1.3
Foundations	494.4	461.3	+ 7.2
Dual purpose sleep furniture	385.4	396.2	- 2.7
Sleep system ensembles, exc. water beds	22.7	23.9	- 5.0
Conventional water beds	58.5	41.3	+41.6
Mattresses & bedsprings, n.s.k.	259.9	255.6	+ 1.7

n.s.k. not specified by kind

Source: U.S. Bureau of the Census,
Annual Survey of Manufactures, 1983
Value of Product Shipments M(83)AS-2;
1982 Census of Manufactures.

Quantity & Value of Shipments of Bedding By All Producers
Detailed By Type, 1977, 1982

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Mattresses & bedsprings, total	na	na	—	$2,042.6	$1,481.5	+ 37.8%
Innerspring mattresses, excluding crib size	9,375.8	9,638.1	- 2.7%	705.3	492.6	+ 43.2
Other mattresses, incl. crib & inserts	na	na	—	159.1	108.3	+ 46.9
Crib mattresses, all types	na	1,356.2	—	29.6	17.9	+ 65.4
Foam core mattresses, excl. crib	na	1,726.7	—	53.5	65.5	- 18.3
All other mattresses	1,160.3	na		37.0		
Mattress inserts for dual purpose furniture:					6.9	+649.3
Innerspring	na	na	—	11.3		
Foam	na	na		3.4		
Other mattresses, n.s.k.	na	na	—	24.3	18.0	+ 35.0

(continued)

PRODUCT SHIPMENTS

Bedding

Quantity & Value of Shipments of Bedding By All Producers Detailed By Type, 1977, 1982
(continued)

	Quantity (Thousands of Units)			Value (Millions of $)		
	1982	1977	% Change 1982/1977	1982	1977	% Change 1982/1977
Foundations, exc. innerspring units, hybrid floatation & adjustable ensembles	—	—	—	461.3	360.6	+ 27.9
Spring	na	8,333.9	—	367.0	336.8	+ 22.6
Foam	618.5			30.2		
All other	na			15.7		
Foundations n.s.k.	—	—	—	48.4	23.8	+103.4
Dual purpose sleep furniture	—	—	—	369.2	334.4	+ 10.4
Convertible sofas	na	na	—	335.9	302.6	+ 11.0
All other dual purpose sleep furniture	na	na	—	30.3	31.8	- 4.7
Sleep system ensembles, excluding conventional water beds	—	—		23.9	—	—
Hybrid type floatation ensembles	na	na		9.9		
Air bed ensembles	na	na	—	na	*	—
Electric adjustable sleep ensemble	na	na		na		
Sleep system ensembles, n.s.k.	na	na	—	3.3		
Conventional water beds	na	na	—	41.3	*	—
Mattresses & bedsprings, n.s.k.	na	na	—	275.6	185.6	+ 48.5

* Included with mattresses & bedsprings, n.s.k. in 1977
na not available
n.s.k. not specified by kind

Source: U.S. Bureau of the Census, 1982 Census of Manufactures, Industry Series, MC82-I-25A

By Geographic Region

California was the leading state for shipments in nine of the 15 categories of furniture and bedding measured by the Census Bureau in 1982, while North Carolina led in four others. In 1977, California was the leader in seven categories; North Carolina led in four.

The only two categories in which California, or North Carolina were not the leaders in product shipments in 1982 were infants' & children's wood furniture (Wisconsin) and metal kitchen furniture (Illinois).

PRODUCT SHIPMENTS

By Geographic Region

Value of Product Shipments of Household Furniture
By Leading States 1982, 1977
(Millions of dollars)

	1982	1977	% Change 1982/1977
Wood living room, library, family room and den furniture			
U.S. total	$1,221.7	$ 859.8	+ 42.1%
Leading States:			
North Carolina	314.4	206.4	+ 52.3
Virginia	148.2	95.3	+ 55.5
California	110.2	64.1	+ 71.9
Indiana	63.1	53.2	+ 18.6
Tennessee	44.5	29.7	+ 49.8
Leading states total	680.4	448.7	+ 51.6
Percent of U.S. total	55.7%	52.2%	--
Wood dining room and kitchen furniture, exc. cabinets			
U.S. total	1,014.7	962.3	+ 5.4
Leading States:			
North Carolina	417.6	431.9	- 3.3
Virginia	123.5	121.7	+ 1.5
California	63.5	68.8	- 7.7
New York	45.9	30.3	+ 51.4
Massachusetts	45.2	33.9	+ 33.3
Leading states total	695.7	686.6	+ 1.3
Percent of U.S. total	68.6%	71.3%	--
Wood bedroom furniture			
U.S. total	1,515.7	1,290.3	+ 17.4
Leading States:			
North Carolina	532.6	409.7	+ 30.0
Virginia	300.9	244.3	+ 23.2
California	146.5	91.0	+ 61.0
Tennessee	109.8	99.0	+ 10.9
South Carolina	55.3	35.9	+ 54.0
Leading states total	1,145.1	879.9	+ 30.1
Percent of U.S. total	75.5%	68.2%	--
Infants' and children's wood furniture			
U.S. total	158.8	118.8	+ 33.7
Leading states:			
Wisconsin	38.6	20.6	+ 87.3
California	20.2	na	--
Leading states total	58.8	na	--
Percent of U.S. total	37.0	na	--

(continued)

By Geographic Region

Value of Product Shipments of Household Furniture
By Leading States 1982, 1977
(Millions of dollars)
(continued)

	1982	1977	% Change 1982/1977
Wood, outdoor, unpainted and unassembled furniture			
U.S. total	$ 249.9	$ 185.5	+ 34.7%
Leading states:			
California	54.2	48.3	+ 12.2
Pennsylvania	20.7	16.2	+ 27.8
Georgia	17.9	8.2	+118.3
New York	16.4	7.1	+131.0
Indiana	13.0	12.1	+ 7.4
Leading states total	122.2	91.9	+ 33.0
Percent of U.S. total	48.9%	49.5%	--
Metal household dining, dinette and breakfast furniture			
U.S. total	360.7	319.1	+ 13.0
Leading states:			
California	120.5	72.4	+ 66.4
North Carolina	49.3	31.4	+ 57.0
Pennsylvania	22.5	26.5	- 15.0
New York	8.0	9.4	- 14.9
Florida	3.4	na	na
Leading states total	203.7	na	na
Percent of U.S. total	56.5	na	--
Metal kitchen furniture			
U.S. total	61.8	73.4	- 15.8
Leading states:			
Illinois	14.2	28.6	- 23.7
Pennsylvania	5.8	na	na
Leading states total	20.0	na	na
Percent of U.S. total	32.3	na	na
Metal, porch, lawn outdoor and casual furniture			
U.S. total	399.4	275.9	+ 44.8
Leading states:			
California	72.3	41.0	+ 76.3
Florida	45.4	24.2	+ 87.6
Alabama	43.6	25.2	+ 73.0
North Carolina	38.5	20.1	+ 91.5
Texas	30.4	24.5	+ 24.1
Leading states total	230.2	135.0	+ 70.5
Percent of U.S. total	57.6	48.9	--

(continued)

PRODUCT SHIPMENTS

By Geographic Region

Value of Product Shipments of Household Furniture
By Leading States 1982, 1977
(Millions of dollars)
(continued)

	1982	1977	% Change 1982/1977
Other metal household furniture			
U.S. total	$ 539.2	$ 445.5	+ 21.0%
Leading states:			
California	100.1	72.4	+ 38.3
Ohio	78.4	51.7	+ 51.6
Illinois	76.6	78.8	- 2.8
Indiana	55.2	38.4	+ 43.8
Pennsylvania	38.1	35.0	+ 8.9
Leading states total	348.4	276.3	+ 25.9
Percent of U.S. total	64.6%	62.0%	--
Innerspring mattresses, excluding crib			
U.S. total	705.3	492.6	+ 43.2
Leading states:			
California	108.4	62.8	+ 72.6
Texas	71.2	47.3	+ 50.5
New Jersey	62.9	35.5	+ 77.2
Florida	57.5	22.8	+152.2
Ohio	40.3	41.1	- 1.8
Leading states total	340.3	209.5	+ 62.4
Percent of U.S. total	48.2%	42.5%	--
Other mattresses, including crib			
U.S. total	159.1	108.3	+ 46.9
Leading states:			
California	22.8	15.9	+ 43.3
Texas	14.1	7.8	+ 80.8
Illinois	13.8	11.0	+ 25.5
Massachusetts	13.5	2.5	+440.0
Ohio	11.7	5.3	+120.8
Leading states total	75.9	42.5	+ 78.6
Percent of U.S. total	47.7%	39.2%	--
Foundations			
U.S. total	461.3	360.6	+ 27.9
Leading states:			
California	56.7	42.9	+ 32.2
Texas	45.2	31.3	+ 44.4
New Jersey	38.5	18.4	+109.2
Ohio	27.2	39.3	- 30.8
Illinois	26.9	17.6	+ 52.8
Leading states total	194.5	149.5	+ 30.1
Percent of U.S. total	42.2%	41.5%	--

(continued)

PRODUCT SHIPMENTS

By Geographic Region

Value of Product Shipments of Household Furniture
By Leading States 1982, 1977
(Millions of dollars)
(continued)

	1982	1977	% Change 1982/1977
Dual purpose sleep furniture			
U.S. total	$ 396.2	$ 334.4	- 18.5%
Leading states:			
North Carolina	61.8	na	--
California	60.0	na	--
Mississippi	46.5	na	--
Texas	36.1	na	--
Tennessee	26.2	na	--
Leading states total	230.6	na	--
Percent of U.S. total	58.2%	na	--
Sleep system ensembles, except conventional water beds			
U.S. total	23.9	na	--
Leading states:			
California	8.4	na	--
Percent of U.S. total	35.1%	na	--
Conventional water beds			
U.S. total	41.3	na	--
Leading states:			
California	33.5	na	--
Percent of U.S. total	81.1%	na	--

na not available

Source: U.S. Bureau of the Census,
Census of Manufactures, 1982
MC82-I-25A

PRODUCER PRICES

Producer Price Indexes for Specified Furniture & Bedding, 1983-1985
(1967 = 100 unless otherwise noted)

	Annual Average			% Change	
	1985	1984	1983	1985/84	1984/83
All commodities	308.8	310.3	303.1	- 0.5%	+ 2.4%
Household furniture	249.5	242.1	234.7	+ 3.1	+ 3.2
Wood household furniture	281.0	272.5	261.0	+ 3.1	+ 4.4
Living room furniture	266.3	256.1	244.4	+ 4.0	+ 4.8
Tables	262.8	252.8	241.7	+ 3.9	+ 4.6
Desks (6/80=100)	127.1	120.1	116.1	+ 5.8	+ 3.4
Chairs (6/80=100)	137.3	131.6	123.2	+ 4.3	+ 6.8
Credenzas & bookcases (6/80=100)	136.1	130.6	122.8	+ 4.2	+ 6.4
Other nonupholstered living room furniture (6/80=100)	125.8	121.8	116.5	+ 3.3	+ 4.5
Dining room	302.4	295.9	284.5	+ 2.2	+ 4.0
Tables	298.7	293.9	282.3	+ 1.6	+ 4.1
Chairs	321.1	311.0	299.3	+ 3.2	+ 3.9
Buffets & Servers	286.1	273.8	264.3	+ 4.5	+ 3.6
China & corner cabinets	282.3	290.1	277.9	- 2.7	+ 4.4
Other dining room and kitchen furniture (6/80=100)	125.5	121.4	116.7	+ 3.4	+ 4.0
Bedroom	276.9	267.9	256.1	+ 3.4	+ 4.6
Beds, except bunk	283.1	272.4	257.5	+ 3.9	+ 5.8
Headboard sets (6/80=100)	123.4	120.0	116.6	+ 2.8	+ 2.9
Dressers, vanities, & dressing tables	273.3	265.2	253.7	+ 3.0	+ 4.5
Night tables & stands (6/80=100)	132.5	128.4	120.9	+ 3.2	+ 6.2
Chests	269.2	260.6	251.0	+ 3.3	+ 3.8
Wardrobes (6/80 = 100)	127.7	122.1	115.1	+ 4.6	+ 6.1
Other nonupholstered bedroom furniture (6/80=100)	131.7	125.0	117.8	+ 5.4	+ 6.1
Other wood household furniture (6/80=100)	115.2	113.5	110.7	+ 1.5	+ 2.5
Unpainted wood furniture (6/80=100)	127.3	123.7	117.1	+ 2.9	+ 5.6
Upholstered household furniture	226.3	218.3	213.6	+ 3.7	+ 2.2
Sofas, incl. sectional sofa pieces	227.2	217.6	213.6	+ 4.4	+ 1.8
Chairs, incl. rockers & recliners	225.5	218.1	214.0	+ 3.4	+ 1.9
Sofa beds, convertible	216.5	212.9	202.8	+ 1.7	+ 5.0
Other upholstered furniture (6/82=100)	113.6	107.8	104.3	+ 5.4	+ 3.4
Metal household furniture	212.2	210.1	234.7	+ 1.0	- 10.4
Porch & lawn furniture	302.3	293.9	298.9	+ 2.9	- 1.7
Bedding	214.9	208.6	199.7	+ 5.4	+ 4.5
Mattresses, innersprings, other than crib	220.0	213.2	203.1	+ 3.2	+ 5.0
Bedsprings (6/83=100)	102.0	99.8	--	+ 2.2	--

Source: U.S. Bureau of Labor Statistics

FOREIGN TRADE

Imports has been taking an increasing share of consumer dollars spent on furniture and bedding. In 1985, U.S. imports increased an estimated 30% to $2.6 billion, accounting for 14% of apparent consumption, according to the U.S. International Trade Commission. This was below the 40% increase in 1984, reflecting slower growth of U.S. demand and a weakening value of the U.S. dollar in foreign markets, making imports more expensive (but helping U.S. exporters).

Low-wage countries like Taiwan have a significant advantage in the labor-intensive furniture industry. To an increasing extent imports consist of knock-down furniture. Imports are expected to continue to increase, reaching more than $3.0 billion, despite a weaker dollar.

Canada, Italy, Denmark and West Germany accounted for 40% of total U.S. imports in 1984, while six Far Eastern countries led by Taiwan at 26%, accounted for 36% of imports. The two major Eastern European producers, Yugoslavia and Roumania, supplied a combined 7% of U.S. furniture imports. The severest impact from imports in the U.S. is in occasional furniture and dining room products.

U.S. exports have historically been fairly small, relative to total industry shipments. The problems which U.S. exports face are high transportation costs, different style preferences abroad and unfavorable foreign exchange rates. In addition, economic growth rates in foreign countries have lagged behind that of the United States. To some extent, the trade imbalance is a problem of scale. U.S. producers must make sizable investments to target each foreign market while foreign producers obtain a much higher return on the same investment by targeting the much larger U.S. market.

U.S. exports declined an estimated 15% in 1985 to $177 million, accounting for only 1% of domestic shipments in 1985. This was due primarily to a substantial decline in exports to Saudi Arabia which was the largest export market for U.S. furniture in 1984, accounting for 23% of total exports in that year. Following Saudi Arabia were Canada, at 21%, and Mexico, at 14%.

The International Trade Administration anticipates a 2% gain in U.S. exports of furniture in 1986 on a constant dollar basis.

Foreign Trade in the Furniture & Bedding Industry, 1982-1985
(Millions of $)

	1985(e)	1984	1983	1982	% Change 1985/1984	Compound Annual Growth Rate 1977-1982
Value of Imports*	$2,610	$2,010	$1,435	$1,079	+ 29.9%	18.4%
Import/new supply ratio	0.138	0.115	0.095	0.080	+ 20.0	12.2
Value of Exports	$ 177	$ 208	$ 204	$ 239	- 14.9	11.9
Exports/shipments ratio	0.012	0.011	0.015	0.019	+ 0.1	6.3

(e) estimated
* includes an indeterminant amount of office furniture.

Source: International Trade Administration
U.S. Department of Commerce
1986 U.S. Industrial Outlook

THE POTENTIAL MARKET

Households/Homes

According to the Current Population Survey (CPS), there were approximately 86.8 million households in the U.S. in March 1985, a net increase of 1.4 million over the previous year. Since 1980, the number of households has increased by an average of 1.2 million annually compared with 1.6 million annually between 1970 and 1980.

There were 24.1 million nonfamily households in 1985, 14.0 million maintained by women and 10.1 million maintained by men. These households contain persons who either live alone (20.6 million) or who live with persons to whom they are not related. Although nonfamily households represented just 28% of all households in 1985, they have accounted for about 48% of all the households added since 1980.

One of the major results of the changing household compositions has been the drop in household size. The decline in the average began in the mid-1960's, was interrupted in 1983, but has since resumed. The average number of persons per household in 1985 reached a new low of 2.69 compared with 2.76 in 1980 and 3.14 in 1970.

Number of U.S. Households By Type, 1982-1985
(In thousands as of March of each year)

	1985	1984	1983	1982	% Change 1985/1984
Households, total	86,789	85,407	83,918	83,527	+ 1.6%
Family households, total	62,706	61,997	61,393	61,019	+ 1.1
Nonfamily households, total	24,082	23,410	22,525	22,508	+ 2.9
Living alone	20,602	19,954	19,250	19,354	+ 3.2
Average household size (number)	2.69	2.71	2.73	2.72	--

Source: U.S. Bureau of the Census,
Households, Families, Marital Status and Living Arrangements, P-20-No 402

Housing starts and sales trends parallel trends in new household formations. All of these have picked up in the last three years. Conditions favor continued expansion in 1986, fostered by the decline in mortgage rates and in heating costs, and the feeling of well-being created by the gains in equity markets and the decline in inflation rates.

In 1985, 686,000 new private homes were sold. This was 7% more than the 639,000 sold in 1984 and the highest annual figure since 1979 (709,000). Economists generally expect the 1986 total to exceed the 700,000-unit rate, with projections to 725,000 at the high end of the projection. The median sales price of new houses sold in 1985 was $84,100; the average sales price was $100,600. In 1984, the median price was $79,900; the average $97,600.

Of total new private homes sold in 1985, 19.0% were in the Northeast, 11.9% in the Midwest, 44.7% in the South, and 24.4% in the West.

Households/Homes (continued)

About 63.5% of all occupied housing units in the U.S. at the end of 1985 were occupied by their owners. On a regional basis, the lowest rate of owner occupancy (58.5%) was in the West. In the Northeast, the rate was 60.8%; in the Midwest, 66.4%; in the South, 66.0%.

The resale market has picked up, of course, along with new-home sales, as owners trade up to larger or better homes,. According to trade sources, people who move account for about one-quarter of furniture and bedding sales.

Of housing structures completed in 1985, totaling 1,700,000, 61.7% (or 1,071,900) were one-family houses. Structures with 2-to-4 housing units accounted for 5.4%; 5 or more units, 32.9%. Completions of new one-family homes in 1985 gained 4.5% over the 1984 total and rose 30.8% over the 1981 total. Completions of multifamily holdings, which totaled 629,000 in 1985, represented a gain of 40.4% over the 1981 total but were less than 1% higher than in 1984.

Sales of furniture and other homefurnishings are getting a boost from new homeowners, but this is tempered by the fact that the customer base has generally taken on a substantial debt load, reducing immediate willingness to splurge. The bigger potential market may be among movers to bigger homes, who are profiting in sales of first-homes. Sales of existing homes are reported to be up about 20% over year-ago levels.

Trends in New Private Housing, 1981-1985
(Thousands of units or homes)

	New Private Housing Units					
Year	Total	1-unit	2-4 units*	5 or more units*	Units Completed	New Private Homes Sold
1981	1,084.2	705.4	91.1	287.7	1,265.7	436
1982	1,062.2	662.6	80.0	319.6	1,005.5	412
1983	1,703.0	1,067.6	113.5	522.0	1,390.3	623
1984	1,749.5	1,084.2	121.4	544.0	1,652.2	639
1985(p)	1,736.4	1,071.9	93.4	571.0	1,700.0	686

* A unit is a structure which contains domiciles for one or more households.
(p) preliminary.

Source: U.S. Department of Commerce and
U.S. Department of Urban Development.

Most (75.2% of the new one-family homes completed in 1985 had three or more bedrooms. This compares with 76.3% in 1984, 79% in 1981. There were 629,000 units in multifamily buildings completed in 1985, and of these, over half (54.4%) had two bedrooms, 36% had one bedroom. Comparable figures in 1981 were 53% and 34%, respectively.

Households/Homes (continued)

Selected Characteristics of New One-Family Houses
And Of New Units in Multifamily Buildings Completed in 1981, 1984, 1985
(in thousands of units)

	1985	1984	1981
One family houses:			
Total completed	1,071	1,025	819
Bedrooms per units:			
2 or less	265	243	172
3 bedrooms	611	595	487
4 bedrooms or more	195	188	160
Average size, entire house (sq. ft.)	1,785	1,780	1,720
Median size, entire house (sq. ft.)	1,605	1,605	1,550
Units in multifamily buildings:			
Total completed	629	627	447
Bedrooms per unit:			
Efficiencies	14	14	11
1 bedroom	227	231	152
2 bedrooms	342	334	237
3 bedrooms	47	48	48
Average size (entire unit) (sq. ft.)	947	914	980
Median size (sq. ft.)	884	871	930

Source: U.S. Department of Commerce &
U.S. Department of Housing & Urban Development

CONSUMER EXPENDITURES FOR FURNITURE

After increasing 9.7% between 1982 and 1983, personal consumption expenditures for furniture and bedding rose 12.6% in 1984 reaching $24.1 billion. These expenditures cover the value at retail of goods reaching the consumer through all channels, including direct sales by manufacturers or wholesalers, etc.

Total U.S. personal consumption expenditures rose 8.5% in 1984 to $2,341.8 billion from $2,155.9 billion in 1983. Thus, furniture and bedding share of personal consumption expenditures was about 1% of total expenditures. In share of total spending for durable goods, however, furniture is now about 7% compared with 12% in the early 1960's, 9.1% in 1972.

U.S. Personal Consumption Expenditures &
Share Accounted for by Furniture & Bedding, 1981-1984
(Billions of dollars)

	1984(p)	1983	1982	1981	% Change 1984/83	% Change 1984/81
Personal consumption expenditures:						
U.S. total	$2,341.8	$2,155.9	$2,176.5	$2,047.6	+ 8.6%	+14.3%
Furniture & bedding	24.1	21.4	19.5	18.9	+12.6	+27.5
% of total expenditures	1.0%	1.0%	0.9%	0.9%		

(p) preliminary

Source: U.S. Department of Commerce.

CONSUMER EXPENDITURES FOR FURNITURE

Household Expenditures

In April 1985, the Bureau of Labor Statistics (BLS) of the U.S. Department of Labor issued a report based on its 1980-81 Consumer Expenditure Survey, the first in a continuing survey. The report included information on household expenditures for furniture and all homefurnishings and equipment, averaged over a two-year period. Unlike the data on personal consumption expenditures compiled by the U.S. Census Bureau, the BLS surveys cover direct purchases by urban households only. Other acquisitions by the consumer unit (household) are not covered.

The BLS surveys show average annual expenditures per urban household in terms of various demographic considerations, such as the age of the householder, the household's income before taxes, and housing tenure (homeowner vs. renter). Projections made by Fairchild reveal the propensity of those in different classifications to make purchases. For example, expenditures on furniture were led by households whose head was in the 25-34 age group. They had a 31.7% share of these purchases, reflecting the tendency for new household formation in this group. These households acccounted for 23.6% of the total number of households. Homeowners represented 61.5% of the consumer units (households); 38.5% were renters. In purchasing furniture, however, homeowners accounted for a nearly 72% share vs. 28% for renters.

Spending for furniture in the BLS study included the following furniture types: living room, dining room, bedroom, nursery, and porch, and other outdoor furniture.

Urban Household Expenditures For Furniture, 1980-81 Average
By Age of Householder

	Total	Under 25	25-34	35-44	45-54	55-64	65 & Over
Number of consumer units (thous.)*	68,295	7,408	16,083	11,422	9,685	10,410	13,287
Percent of Total	100.0%	10.8	23.6	16.7	14.2	15.2	29.5
Average age of householder* (years)	46.2	21.6	29.5	39.2	49.5	59.3	73.6
Average size of household (persons)	2.7	1.8	2.8	3.8	3.4	2.4	1.7
Average household income after taxes	$17,483	$10,092	$18,222	$22,307	$24,474	$19,115	$10,162
Average expenditure per household:							
All homefurnishings & equipment	$ 711	$ 508	$ 837	$ 941	$ 865	$ 698	$ 372
Furniture	259	225	342	358	256	213	104

* A consumer unit is an urban household. The householder is the person who is the owner or renter of the premises at the time of the interview.

CONSUMER EXPENDITURES FOR FURNITURE

Household Expenditures

By Household Income Before Taxes

	Total	$30,000 & Over	$20,000 29,000	$15,000 19,999	$10,000 14,999	Under $10,000
Number of consumer units (thous.)	68,295	11,977	12,165	7,426	8,357	17,412
Percent of Total	100.0%*	17.5	17.8	10.9	12.2	25.5
Average age of householder* (years)	46.2	44.5	41.4	42.1	43.2	51.0
Average size of household (persons)	2.7	3.4	3.1	2.7	2.5	1.9
Average household income after taxes	$17,483	$37,468	$21,190	$15,654	$11,281	$ 4,904
Average expenditure per household:						
All homefurnishings & equipment	$ 711	$1,435	$ 828	$ 627	$ 491	$ 288
Furniture	254	513	286	228	177	93

* Total includes 10.9 thousand households for which income was not reported.

By Housing Tenure

	Total	Homeowner	Renter
Number of consumer units (thous.)	68,295	41,990	26,305
Percent of Total	100.0%	61.5	38.5
Average age of householder (years)	46.2	50.5	39.4
Average size of household (persons)	2.7	3.0	2.2
Average household income after taxes	$17,483	$21,307	$11,642
Average expenditure per household:			
All homefurnishings & equipment	$ 711	$ 877	$ 446
Furniture	254	296	187

Distribution of Projected Total Expenditures of Urban Households, 1980-81 Average
By Age of Householder, By Income & By Housing Tenure

	Total Home Furnishings & Equipment	Furniture
By age of householder:		
Total	100.0%	100.0%
Under 25	7.6	9.6
25-34	27.2	31.7
35-44	21.8	23.6
45-54	17.2	14.3
55-64	16.1	12.8
65 & over	10.1	8.0

(continued)

CONSUMER EXPENDITURES FOR FURNITURE

Household Expenditures

Distribution of Projected Total Expenditures of Urban Households, 1980-81 Average
(continued)

	Total Home Furnishings & Equipment	Furniture
By household income before taxes:		
Total	100.0%*	100.0%*
$30,000 & over	41.9	42.6
$20,000-29,999	24.5	24.1
$15,000-19,999	11.3	11.7
$10,000-14,999	9.9	10.2
Under $10,000	12.4	11.4
By housing tenure of householder:		
Total	100.0%	100.0%
Homeowner	75.8	71.6
Renter	24.2	28.4

* Total includes households for which income was not reported.

Source: Fairchild Market Research Division based on U.S. Bureau of Labor Statistics, Consumer Expenditure Survey 1980-81 Bulletin 2225, April 1985.

RETAIL SALES

Sales of furniture through retail outlets amounted to $23.2 billion in 1985, according to the American Furniture Manufacturers Association. The association's economic forecast looks for a 1986 total amounting to $25.4 billion, and a total of $27.7 billion in 1987.

RETAIL SALES BY STORE TYPE

A complete census of retail trade (as well as of manufactures and wholesaling) is compiled by the Census Bureau, U.S. Department of Commerce every five years. In this report, some comparisons (for store data) have been made between 1982 census results and those reported in 1977. However, as footnoted in the tables, comparisions are not exact because of a change in treatment of leased departments--which affects some types of merchandise more than others.

In 1977, leased department information was not separately reported, but was included as part of the data on the stores in which the leased departments were operated. In 1982, however, leased department operations were treated as separate establishments and classified according to the kind of business conducted. This change affects store counts and sales figures in some merchandise categories to a greater extent than others. The Census Bureau issued revised dollar volume figures for 1977 covering total store sales to be comparable with 1982, but no other revisions have been published by the Bureau.

RETAIL SALES BY STORE TYPE

In addition, 1977 census data covered both stores with paid employees and those with no payroll. In 1982, the census covered only retail operations with payroll. The Fairchild research department has adjusted 1977 figures where possible to exclude stores with no paid employees, in order to make the data comparable to 1982. However, no exact comparisons can be made for 1982 vs. 1977 on merchandise line sales by type of retail outlet. Total sales for 1982 in stores with payroll were reported as follows:

Total Homefurnishings Sales & Furniture & Bedding Sales Through Retail Outlets, 1982
(Includes only retail establishments with payroll)

	Establishments	Sales	
		Thous. $	Percent
Homefurnishings & equipment, reported classifications, total	--	$84,399,182	100.0
Furniture & bedding (sleep equipment)	67,720	19,086,032	22.6

Source: U.S. Bureau of the Census,
1982 Census of Retail Trade, RC82-1-3

Furniture & Bedding Sales By Major Outlet Type, 1982
(In retail establishments with payroll)

	Establishments		Sales By Outlet Type	
	Number	Percent	Thous.$	Percent
Furniture & bedding, total	67,720	100.0	$19,086,032	100.0
General merchandise store group*	15,695	23.2	3,440,727	18.0
Department stores*	8,162	12.1	3,099,952	16.2
Furniture, homefurnishings stores	34,031	50.3	14,577,834	76.4
Furniture stores	29,609	43.7	14,095,074	73.9
Nonstore retailers:				
Mail order houses**	3,142	4.6	257,208	1.3
Other retailers	14,852	21.9	810,263	4.3

* Leased departments are not included in the stores in which operated, but are counted as separate establishments.
** Catalog order desks are included in the sales of the stores in which they are located.

Furniture stores are the major outlet for furniture and bedding, accounting for 73.9% of reported sales through retail outlets with payroll in 1982. Without adjustment for any possible effect of the change in treatment of leased departments, the 1977 census of retail trade showed furniture stores with payroll accounting for 73.5% of the total $14.7 billion in furniture and bedding sales that year. Department stores accounted for 16.2% of reported sales in 1982; 17.7% in 1977.

Furniture Stores

According to the 1982 census, 24,926 firms were operating 29,609 furniture stores with payroll that year. Furniture store (with payroll) sales that year totaled $17.2 billion, of which furniture and bedding represented 81.8%; major appliances, 4.8%; kitchenware/housewares, 4.0%; the remainder, 9.4%.

It is estimated that in 1977 there were 31,366 furniture stores with payroll (including leased departments), operated by about 27,344 firms and $13.6 billion in sales. While the number of furniture store firms and stores declined, sales (on a current dollar basis, without adjustment for inflation) were up 26.4% in 1982 compared with 1977. (In 1982, the consumer price index -- excluding food, energy and shelter -- was 44.9% higher than the comparable 1977 index).

Furniture store operations were much bigger in 1982, and control of a bigger share of furniture store business was centered in the larger operations. The number of furniture store firms with a volume of $5.0 million or more totaled 313 in 1982, compared with 208 of this size in 1977. Firms with a volume of $5.0 million or more accounted for 1.3% of the firms operating stores with payroll in 1982, 8.7% of the stores and had a 31.6% share of sales. (These figures are based on those operating the entire year--of which there were 23,898 in 1982 vs. 24,926 operating anytime in year). In 1977, firms with a volume of $5.0 million or more represented 0.8% of the firm total, operated 6.0% of the stores with payroll, and had a 25.4% share of sales.

The 20,586 furniture store firms with volume of less than $1.0 million in 1982--86.1% of the total in this classification (with payroll) -- operated about 75% of the stores, but had a share of only 36% of sales. In 1977, these smaller firms (91.6% of the total count) operated 83% of the stores and held a 47% share of sales.

Furniture Store Operations By Size of Firms: 1977, 1982
(Retail establishments with payroll)

	No. of Firms		Percent of Total Firms		Stores		Sales	
	1982	1977(e)	1982	1977(e)	1982	1977(e)	1982	1977(e)
Total	23,898*	27,344	100.0	100.0	100.0	100.0	100.0	100.0
Annual sales of firms:								
$10.0 million or more	126	76	0.5	0.3	6.0	4.4	24.1	18.9
$ 5.0 mil. - $ 9.9 mil.	187	132	0.8	0.5	2.7	1.6	7.5	6.5
$ 1.0 mil. - $ 4.9 mil.	2,999	2,102	12.5	7.7	16.5	11.0	32.7	27.4
Less than $1 million	20,586	25,034	86.1	91.6	74.9	83.0	35.7	47.2

(e) estimated for comparability with 1982.

* Firms in operation the entire year. (24,926 firms were in operation anytime during the year).

RETAIL SALES BY STORE TYPE

Furniture Stores (continued)

Furniture store firms operating more than one store have increased in importance in recent years. Multi-unit operations of 10 or more stores increased their share of furniture store (with payroll) sales from less than 14% in 1977 to over 16% in 1982. Those operating two or more stores upped their share from less than 38% to over 45%.

Furniture Store Single & Multi-Unit Operations: 1977, 1982
(Retail establishments with payroll)

	Percent of Total					
	Firms		Stores		Sales	
	1982	1977	1982	1977	1982	1977
Total	100.0	100.0	100.0	100.0	100.0	100.0
Single-unit organizations	90.0	94.1	75.8	82.1	54.5	62.2
Multi-unit organizations	10.0	5.9	24.2	17.9	45.5	37.8
Operating: 2-4 stores	9.0	5.4	14.6	11.5	22.5	19.4
5-9 stores	0.7	0.3	3.8	2.1	6.9	4.7
10 or more stores	0.3	0.2	5.8	4.3	16.1	13.7
50 or more stores	*	*	2.3	1.9	7.2	6.4

* Less than 0.1%.

Concentration of Largest Furniture Store Firms: 1977, 1982
(Retail establishments with payroll)

	Stores 1982	Sales (mil. $) 1982	Percent of Sales			
			Stores		Sales	
			1982	1977	1982	1977
All firms*	26,609	$17,223.4	100.0	100.0	100.0	100.0
4 largest firms	187	875.4	0.6	0.5	5.1	5.5
8 largest firms	387	1,327.5	1.3	1.0	7.7	7.7
20 largest firms	696	2,122.2	2.4	2.6	12.3	11.7
50 largest firms	1,216	2,974.6	4.1	3.9	17.3	16.6

* Based on 24,926 firms in operation anytime during the year 1982.

Sales volume figures are reported for furniture stores with payroll in operation the entire year 1982 -- of which there were 28,372, with sales totaling $16.4 billion (out of the total of $17.2 billion reported for stores in operation anytime during the year).

Over half (54.9%) of furniture store (with payroll) sales in 1982 were concentrated among furniture stores with sales of $1.0 million or more -- 4,099 stores, or 14.4% of the total count. The 1977 census showed 9.9% of the stores with a volume of $1.0 million or more, and accounting for 44.5% of furniture store sales.

As previously noted, detailed 1982 census data on stores (and merchandise lines) is limited to retail establishments with payroll. In 1977, however, the census showed a total of 36,210 furniture stores in operation, of which 8,211 had no paid employees. While such stores represented 22.7% of the total store count, they accounted for only 2.7% of furniture store sales.

RETAIL SALES BY STORE TYPE

Furniture Stores (continued)

Furniture Stores (In Operation Entire Year) By Sales Size: 1977, 1982
(Retail establishments with payroll)

	1982		Percent of Total			
	Stores	Sales (mil. $)	Stores 1982	Stores 1977	Sales 1982	Sales 1977
Total	28,372	$16,416.3	100.0	100.0	100.0	100.0
Annual sales:						
$ 5.0 mil. or more	231	2,145.3	0.8	0.6	13.1	10.6
2.5 mil. -- $ 4.9 mil.	596	2,020.3	2.1	2.3	12.3	13.7
1.0 mil. -- $2.49	3,272	4,842.1	11.5	7.0	29.5	20.2
0.5 mil. -- $0.9	5,164	3,602.5	18.2	16.0	21.9	23.7
Under $500,000	19,109	3,806.1	67.4	74.1	23.2	31.8

Source: U.S. Bureau of the Census,
1982/1977 Census of Retail Trade.

Current information on total furniture store sales is published by the Census Bureau in the Monthly Retail Trade report series. These sales figures are estimates for all stores -- including those with payroll and those without paid employees. In County Business Patterns, the Bureau publishes estimates on an annual basis covering the number of stores with payroll. Unlike the 1982 census of retail trade figures, monthly retail trade reports on sales include leased departments sales within the stores in which operated (the lessor, adjusting 1982 for comparability, furniture store sales that year amounted to $17,658 million. These figures include both stores with and without payroll.)

Furniture Stores: Number of Stores & Total Sales

	1985(p)	1984	1983	% Change 1985/1984
Total sales (mil. $)	$23,358	$22,474	$19,700	+ 4.0%
Number of stores (with payroll)	na	na	30,510	na

(p) preliminary
na not available

Source: U.S. Bureau of the Census, Monthly Retail Trade;
Revised Monthly Retail Sales & Inventories BR-13-85;
County Business Patterns

Seasonal Pattern in Furniture Store Sales
Percent of Year's Sales By Months, 1984, 1985

Year	Total	Jan.	Feb.	Mar.	Apr.	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.
1985	100.0%	7.4%	7.1%	8.0%	7.7%	8.4%	8.2%	8.1%	8.9%	8.2%	8.6%	9.4%	10.0%
1984	100.0	7.3	7.2	8.1	7.8	8.3	8.6	8.1	8.8	8.2	8.7	9.2	9.7

Source: Based U.S. Bureau of the Census Monthly Retail Trade reports.

Furniture Stores (continued)

The 25 Leading Furniture Stores, 1983, 1984

	Sales (Mil. $)		% Change	Number of Stores	Sales Per Square Foot
	1984	1983	1984/1983	1984	1984
1. Levitz	$761.7	$644.5	+ 18.2%	92	$157
2. Breuner's	215.0	185.0	+ 16.2	17	185
3. Haverty's	175.5	155.0	+ 13.2	65	128
4. Reliable	170.0	125.0	+ 36.0	25	na
5. W.S. Badcock	165.0	152.0	+ 8.6	205	82
6. Rhodes	129.4	100.4	+ 28.9	58	94
7. Wickes	126.0*	120.0*	+ 5.0	15	na
8. RB Furniture	124.0	120.0	+ 3.3	78	na
9. Nebraska Furn. Mart	115.0	105.0	+ 9.5	1	575
10. Heilig-Meyers	114.0	96.4	+ 18.3	101	na
11. Seaman's	100.0*	80.0	+ 25.0	na	na
12. Finger's	92.4*	88.0*	+ 5.0	na	na
13. Cousin's	89.3	34.5	+158.9	24	282
14. Scandinavian Design, Natick, Ma.	82.0	60.0	+ 36.7	50	341
15. McMahan's, Santa Monica	76.4*	72.8*	+ 4.9	na	na
16. Value City	75.0	68.0*	+ 10.3	30	na
17. Barrow's	71.7*	68.3*	+ 5.0	na	na
18. Huffman Koos	65.8*	62.7*	+ 4.9	na	na
19. McMahan's, Carlsbad, Ca.	61.9*	59.0*	+ 4.9	na	na
20. Barker Bros.	58.8*	56.0*	+ 5.0	na	na
21. Scandinavian Design, Evanston, Ill.	58.1	41.8	+ 39.0	71	na
22. Alpert's	57.7*	55.0*	+ 4.9	10	na
23. Haynes Furniture	50.0	40.3*	+ 24.1	4	141
24. Homemakers	50.0	50.0	--	5	185
25. Sterchi Bros.	48.2	45.2	+ 6.6	73	na

* estimate
na not available

Source: HFD - The Weekly Home Furnishings Newspaper, May 20, 1985

The Top 25 Sleep Shops, 1983

	Sales (Mil. $)	Number of Stores	
1. Sleepy's, New Hyde Park NY	$28.1	32	(5 of which are licensees)
2. Ortho Mattress, Ranch Dominquez, CA	27.0	72	
3. Kleinsleep, Yonkers, N.Y.	24.5	16	(4 are franchisees)
4. Mattress Warehouse, Akron, OH	23.0	43	(38 are franchisees)
5. Hillside Bedding, Mount Vernon, NY	22.5	56	(41 are franchisees)
6. Sleep Country, Dallas, TX	20.5	8	
7. American Bed Co., Houston, TX	19.7	28	

(continued)

Furniture Stores (continued)

The Top 25 Sleep Shops, 1983
(continued)

	Sales (Mil. $)	Number of Stores	
8. Mattress Discounters, Arlington, VA	17.0	36	
9. Slumberland, St. Paul, MN	16.0	16	(8 are franchisees)
10. City Mattress, Buffalo, NY	10.0*	12	
11. Bed City, Bronx, NY	14.0	28	
12. Royal Mattress, Atlanta, GA	14.0	8	
13. Sleep & Air, Hayward, CA	14.0*	31	(30 are franchisees)
14. Steven, Chicago, IL	13.0	20	
15. King Koil Bedquarters, St. Paul, MN	12.0	85	(all franchisees)
16. W. Simmons, Cerritos, GA	10.2	18	
17. Bedding Barn, Newington, CT	10.0*	13	
18. Bedding Liquidators, Indianapolis, IN	7.8	17	
19. Colony, Hackensack, NJ	7.0	7	
20. Sleep-O-Rama, Margate, FL	6.7	11	
21. Off-Track Bedding, East Providence, NJ	6.5	10	
22. Siesta, Stroughton, MA	4.7	14	
23. Sleep Quarters, Norfolk, VA	4.6	6	
24. Nationwide, Philadelphia, PA	4.5	9	
25. Sleep Station, St. Louis, MO	4.0	9	

* estimate

Source: HFD - The Weekly Home Furnishings Newspaper
June 18, 1984

Department Stores

Furniture and bedding sales were reported by 8,162 department stores in 1982 -- 81.8% of the total department store count that year. Sales amounted to $3.1 billion, which was 3.1% of total department store sales; 3.6% of sales of the 8,162 department stores selling furniture and bedding.

Within the department store furniture & bedding total, upholstered furniture represented 23.4% of sales; other living room, dining room, bedroom furniture, 25.3%; bedding (sleep furniture, mattresses, dual-purpose, etc.), 26%; all other furniture, 25.3%.

Department Stores (continued)

Department Store Sales of Furniture & Bedding, 1982

	Establishments*		Sales of specified merchandise lines		
	Number	Percent	Sales (thous.$)	Percent of total sales of Estabs. selling the line	All Estabs.
Department stores, total	9,981	100.0	$99,170,163	—	100.0
Furniture & bedding	8,162	81.8	3,099,952	3.6	3.1
Upholstered furniture	3,367	33.7	726,878	1.4	0.7
Other living room, dining room, bedroom furniture	3,798	38.0	785,545	1.5	0.8
Bedding, sleep furniture, mattresses, etc.	3,725	37.3	808,595	1.5	0.8
All other furniture	6,954	69.7	782,934	1.1	0.8

* Each store location is separately counted as an "establishment". Department stores include both traditional department stores and discount department stores which meet the definition of this store type under the Standard Industrial Classification (SIC) system. Department stores operated by mail order chains (such as Sears) are included in the above table. (By definition, all department stores have 25 or more paid employees).

Overall, department store business has become incresingly concentrated among larger firms, operating a number of stores. In 1982, there were 502 department store firms -- that is, companies such as Federated, Dayton Hudson, R.H. Macy, etc. -- operating 9,981 department stores (including discount department stores, etc., a noted above). The count on firms should be clearly distinguished from individual companies or divisions operating by these firms, which control the buying for their stores -- such as Bloomingdale's New York, a division of Federated Department stores. Counts at the divisional level are not available through census reports.

FOR DETAILED INFORMATION ON DEPARTMENT STORES, AS WELL AS OTHER STORE TYPES BASED ON THE 1982 CENSUS OF RETAIL TRADE, SEE THE FACT FILE: A Statistical Analysis of Retailing (1985), and Sales of Major Classifications of Consumer Goods By Retail Outlet Type (1986).

RETAIL SALES BY STORE TYPE

Department Stores

The 25 Leading Department Stores in Furniture Sales, 1983, 1984

	Furniture Sales (Mil. $)			Branches Carrying Furniture (No.)
	1984	1983	% Change 1984/1983	1984
1. Macy's New York	$71.1*	$69.4*	+ 2.4%	9
2. Bambergers	68.9	67.2*	+ 2.5	16
3. Macy's California	56.4*	55.0*	+ 2.5	16
4. Bloomingdale's	54.0*	49.0*	+10.2	15
5. Abraham & Straus	50.2*	49.0	+ 2.4	13
6. The Broadway	50.0	40.0*	+25.0	40
7. Marshall Field	45.0	36.0	+25.0	15
8. Burdines	44.1*	43.0	+ 2.5	18
9. Jordan Marsh Boston	38.4*	37.5*	+ 2.4	12
10. Foley's	38.3*	37.4*	+ 2.4	14
11. Hudson's	37.2*	29.0*	+28.3	17
12. Rich's	37.0	30.0*	+23.3	14
13. May Co., California	36.9*	36.0*	+ 2.5	30
14. Dayton's	32.0*	26.0*	+23.1	6
15. The Bon	30.8*	30.0	+ 2.7	na
16. Hecht's	30.8*	30.0	+ 2.7	20
17. Emporium Capwell	30.0*	25.6*	+17.2	21
18. Gimbel's East	28.7*	28.0*	+ 2.5	15
19. Robinson's	28.5*	28.5*	--	17
20. Woodward & Lothrop	26.2*	25.6	+ 2.3	15
21. Carson Pirie Scott	26.0*	16.0	+62.5	13
22. Maas Bros.	25.2*	24.6*	+ 2.4	15
23. Bullock's	24.1*	23.5*	+ 2.6	20
24. Famous Barr	23.6*	23.0	+ 2.6	15
25. Lazarus	22.7*	22.1	+ 2.7	10

* estimated
na not available

Source: HFD - The Weekly Home Furnishings Newspaper
May 20, 1985

Selected 1984 Merchandising & Operating Results in Furniture & Bedding Departments in Department Stores with Sales Over $1 Million
(Median Results)

	Furniture & Bedding Total (69)*	Upholstered Furniture (53)*	Case Goods (37)*	Dual-Sleep Bedding & Other Sleep Furniture (59)*	All Other Furniture (27)
Net sales, % change from last year	+ 8.8%	+ 8.9%	+ 10.6%	+ 5.2%	+ 19.1%
Sales, % of merchandising divison**	48.0	17.6	9.4	15.4	7.0
Sales, % of total store	4.5	1.8	0.9	1.5	0.7
Cumulative markon, %	46.3	46.8	47.6	46.0	49.1
Gross margin, % of net sales	39.5	40.2	38.9	41.2	40.6
Markdowns, % of net sales	13.1	13.2	15.5	10.1	14.7
$ sales per sq. ft. of selling space (main or largest selling unit)	$ 61.0	$ 50.7	$ 47.4	$ 102.1	$ 32.2
Number of stock turns (times)	2.2	2.2	1.5	4.0	1.4

(footnotes continued)

RETAIL SALES BY STORE TYPE

(footnotes from preceding table)

* Number in parentheses represents the number of reporting companies in each category.
** Merchandise division for furniture & bedding is furniture & decorative accessories.

Source: National Retail Merchants Association,
Merchandising & Operating Results 1985 Edition

CONSUMER PRICE INDEX

Consumer Price Indexes for Specified Furniture & Bedding Items
1983-1985
(1967 = 100 unless otherwise specified)

	Annual Averages			% Change	
	1985	1984	1983	1985/1984	1984/1983
All items	321.7	307.6	297.4	+ 4.6%	+ 3.4%
Furniture & bedding	228.5	219.5	215.3	+ 4.1	+ 2.0
Bedroom furniture (1977=100)	160.6	150.9	148.2	+ 6.4	+ 1.8
Sofas (Dec. 1977 = 100)	122.5	120.9	118.6	+ 1.3	+ 1.9
Living room chairs & tables (Dec. 1977=100)	127.7	127.2	124.6	+ 0.4	+ 2.1
Other furniture (Dec. 1977=100)	147.8	139.7	137.1	+ 5.8	+ 1.9

(p) preliminary

Source: U.S. Department of Labor,
Bureau of Labor Statistics.

RETAIL ADVERTISING

Percent of Year's Total Newspaper Advertising Linage
Done By Retailers Each Month, 1984

Month	Bedroom Sets	Dinette Sets	Dining Room Sets	Living Room Sets	Living Room Chairs	Mattresses	Sofabeds Sofas & Sectionals
January	7.9%	6.9%	7.6%	5.9%	8.7%	9.1%	8.1%
February	10.0	9.2	9.4	6.3	8.9	7.6	8.2
March	10.4	7.3	7.5	8.3	8.4	9.2	9.2
April	8.1	8.6	7.8	2.9	7.3	8.7	8.2
May	7.3	6.9	8.7	6.1	9.3	8.2	7.6
June	7.2	6.6	8.4	6.9	8.9	8.3	7.0
July	8.2	6.7	8.4	6.6	9.1	8.1	8.1
August	9.9	8.9	6.8	7.1	8.8	8.0	10.4
September	9.2	13.6	8.0	10.9	8.3	10.5	10.5
October	7.2	6.8	9.6	10.5	7.1	6.8	7.7
November	7.5	10.7	11.1	14.4	7.0	9.2	9.1
December	7.1	7.8	6.7	14.1	8.2	6.3	5.9

Source: The Advertising Checking Bureau, Inc.;
Newspaper Advertising Bureau, Inc.

CONSUMER BUYING HABITS

Of the 416 consumers polled in the May 1985 HFD/Better Homes & Gardens annual survey, 65.4% believed that information on furniture care would be most helpful while shopping for furniture; 64.7% said pictures of different room setting would be most helpful. Three out of four respondents shopped stores to get ideas and 60% watched local newspapers for sales.

Bedding

Sales & Type of Mattress/Box Spring Currently Owned

	Size		Type
Total respondents	100.0%	Total respondents	100.0%
Full/double	41.3	Innerspring	77.2
Queen	31.0	Waterbed	9.1
King	19.0	Foam	6.5
Twin	6.0	Other	0.7
Other	1.0	No answer	6.7
No answer	1.7		

Sales & Type of Mattress/Box Spring Panel Members Would Most Likely Buy

	Size		Type
Total respondents	100.0%	Total respondents	100.0%
Queen	43.2	Innerspring	66.6
Full/double	27.2	Waterbed	18.5
King	21.4	Foam	6.5
Twin	6.0	Other	0.7
Other	0.5	Don't know/no answer	7.7
Don't know/no answer	1.7		

Primary Reason For Purchase of Last Mattress

Total respondents*	100.0%
Replacement	51.7
First purchase	15.9
Wanted larger mattress	14.4
Backache	12.7
Moved to a new home	6.7
Needed additional mattress for a second home	4.3
No answer	1.7

* Columns add to more than 100.0% due to multiple responses

CONSUMER BUYING HABITS

The 1985 HFD/Better Homes & Gardens survey indicates that a la carte pieces are popular in the living room, shoppers still prefer suites in the dining room and master bedroom, for combined living/dining areas, they want smaller scale furniture.

Furniture

	Furniture Composition Prepared		
	Matched Suites of Furniture	Individual Pieces	No Answer
Living room	43.0%	56.5%	0.5%
Dining room	87.5	11.1	1.4
Master bedroom	81.0	18.5	0.5
Other bedroom	43.3	52.9	3.8
Family room	16.1	80.3	3.6
Porch or deck	43.0	53.2	3.8
Lawn or poolside	36.5	54.1	9.4
Foyer	13.7	74.8	11.5

Types of Small Scale Furniture Panel Members would like to See

	% of respondents*
Wall storage systems	46.2%
Upholstered chairs	38.5
Dining room furniture (buffets, hutches, etc.)	33.9
End tables/occasional tables	32.9
Chests of drawers	29.3
Sofas	28.8
Coffee/cocktail tables	21.6
Dining room tables	19.2
Beds	12.0
Grandfather clocks	11.1
Other	1.4
Don't know/no answer	21.6

* Total does not add to 100.0% due to multiple responses.

Source: HFD - The Weekly Home Furnishings Newspaper
December 16, 1985

In an earlier (1984) HFD/Better Homes & Gardens survey, 423 panel members reported on styles of furniture preferred for their homes. Nearly half of the responsdents stated that they preferred country (casual) while about four out of ten cited traditional.

HFD/Better Homes & Gardens Survey, May 1985 (continued)

Style of Furniture Preferred by Panel Members

Total respondents	100.0%
Country (casual)	48.7
Traditional	37.6
Eclectic (mixture)	27.2
Modern (contemporary)	26.5
Early American	23.9
Turn-of-the-century American	9.7
French provincial	7.8
Formal English/French	7.1
Oriental	5.9
Mediterranian/Spanish	5.7
Italian Provincial	4.3
Antique	3.8

Rooms Consumer Panel Members are Planning to Decorate/Redecorate

Total respondents	100.0%
Living room	47.0
Master Bedroom	38.9
Other bedrooms	34.6
Bathroom	34.0
Kitchen/breakfast area	30.1
Dining room	25.9
Family room	25.6
Porch/patio	15.7
New House	0.9
Other	6.3
Don't know/no answer	1.2

Rooms Consumer Panel Member Expect to Spend the Most On

Total respondents	100.0%
Living room	73.5
Family Room	16.8
Master bedroom	7.1
Dining room	6.6
Other bedrooms	0.2
Other	0.2
Don't know/no answer	0.9

Source: HFD - The Weekly Home Furnishings Newspaper
November 26, 1984

SCHEDULE OF ADDITIONAL FACT FILES

COATS, SUITS, RAINWEAR, AND FURS (WOMEN'S, MISSES' AND JUNIORS'): Details number of manufacturers by employment size, cuttings, and value of shipments. Also covered at the industry level are price trends and imports/exports. At the retailer level, data is presented on estimates of retail volume, sales share by outlet, merchandising and operating results, and also focuses on consumer buying habits and plans.

CONSUMER MARKET DEVELOPMENTS: Provides a detailed view of consumers in the U.S., including population by age and income, number of households and living arrangements, school enrollment, educational attainment, the labor force, employment and earnings. Also covers trends in consumer prices, in personal consumption expenditures by product classification, and the outlook for consumer markets based on current economic trends.

DEPARTMENT STORE SALES (Including Selected Major Apparel Specialty Store Sales): Covers sales and the number of stores operated, listed by geographic region and state based on buying headquarter locations. Lists branch store sales where available, as well as plans to open new stores. Sales information on major general merchandise/apparel retail chains, which are listed alphabetically, and a list of department stores with sales of $50 million or more, are included. (1985 Edition available now--1986 Edition available in November)

DRESSES & RELATED APPAREL (WOMEN'S, MISSES' AND JUNIORS'): Statistics on the dress and related women's apparel industry, including trends in the number of manufacturers and in production and shipments. Also data on retail sales by outlet type and on consumer buying habits.

FASHION ACCESSORIES (MEN'S AND WOMEN'S): Information on a wide range of fashion accessories including jewelry, watches, gloves, belts, handbags, small leather goods, luggage, neckwear, hats. Includes key information at manufacturer level, as well as sales and consumer data.

FOOTWEAR (MEN'S, WOMEN'S AND CHILDREN'S): A statistical summary of the U.S. footwear industry and footwear markets. Covers domestic production, shipments, and imports. Provides retail sales and merchandising statistics, including sales share by outlet type.

HOME TEXTILES: Information on the industry includes the latest data on number of manufacturers, production and shipments for a wide range of products, including bed linens, towels, blankets and comforters, slip covers, pillows, curtains and draperies. Trends in merchandising, departmental operations and sales by outlet type.

HOSIERY/LEGWEAR (MEN'S, WOMEN'S AND CHILDREN'S): A comprehensive report on these industries at the mill, retailer and consumer levels. Included are details on production and shipments, retail sales by type of outlet and on patterns in consumer spending.

HOUSEHOLD FURNITURE AND BEDDING: Contains U.S. industry-wide data on quantity and value of manufacturers' shipments of furniture and bedding (mattresses and dual-purpose sleep furniture). Retail information includes sales by store type, consumers' furniture style preference, etc.

INFANTS', TODDLERS', GIRLS' AND BOYS' WEAR: Manufacturer data spotlights production, value of shipments, number of manufacturers, employment in the industry by company size, price trends. At the retailer level, data focuses on sales share by type of outlet and on operating ratios in department and specialty stores.

INNER FASHIONS: NIGHTWEAR, DAYWEAR AND LOUNGEWEAR (WOMEN'S, MISSES' & JUNIORS'): Data on production and shipments, tracing market shifts in response to fashion changes, retail trends, sales by outlet type, and merchandising ratios.

MAJOR APPLIANCES AND ELECTRIC HOUSEWARES: Covers a wide range of products in the major appliance and traffic appliance classifications, including equipment, and personal care appliances. Details production and shipments, sales trends, sales by outlet type and retail merchandising results.

MEN'S FURNISHINGS AND WORK WEAR: Includes information on number of manufacturers, production and shipment figures on shirts, underwear, nightwear, neckwear, hats, etc., size of firms, imports and exports. Also provides data at the retail level, including sales and merchandising trends, operating ratios, and sales share by type of outlet.

MEN'S SPORTSWEAR, CASUAL WEAR AND JEANS: The wide variety of men's wear items included in this broad category are covered from available information on the industry at the manufacturer, retailer and consumer level. Included is information on production and shipments, market trends, retail sales by outlet type and consumer buying practices.

MEN'S TAILORED CLOTHING/SEPARATES AND RAINWEAR: Manufacturer level profiled by production value of shipments, employment, size of firms. Data is presented on retail sales, sales share by outlet type and operating ratios. Also data on consumber buying habits.

RETAILING/MERCHANDISING TRENDS: Covers the dramatic changes underway in the operations, of the large retailing organizations, such as the decentralization of operations beyond traditional geographic boundaries and diversification of operations to include store types differing from the primary business. Also covered are developments in brand name merchandising, store labels, designer labels, licensing and off-price retailing.

SALES OF MAJOR CLASSIFICATIONS OF CONSUMER GOODS BY RETAIL OUTLET TYPE Covers sales of grocery products, drugs, apparel, footwear, sporting goods, home furnishings and other product lines by major type of retail outlet. The sales are detailed, and trends analyzed on market shares held by major outlet types based on the latest complete Census of Retail Trade recently issued by the U.S. Census Bureau.

THE SPORTS/FITNESS/LEISURE MARKETS: Covers developments in the rapidly changing markets for sports and physical-fitness-related merchandise. Contains statistical data on sports equipment, apparel and footwear as well information on the number of participants in various sports. Also includes findings in a survey on specialized sporting goods retailer operations.

SPORTSWEAR, CASUAL WEAR, SEPARATES AND JEANS (WOMEN'S, MISSES' AND JUNIORS'): A statistical view of this segment of the women's wear industry is provided, including data on production and value of shipments, imports of major categories, sales by type of outlet, price points, seasonal patterns, and consumer buying habits.

A STATISTICAL ANALYSIS OF RETAILING: A detailed statistical summary of retail trade in the U.S. based on findings in the 1982 Census of Retail Trade issued this year by the U.S. Census Bureau. Trade issued in 1985 by the U.S. Census Bureau. Includes information on the number of outlets by store type, sales, market shares by type of major merchandise classification, sales concentration by size of retail organization, geographical changes, etc. Comparisons (where valid) are made with findings in the last previous census, covering operations in 1977.

THE TEXTILE/APPAREL INDUSTRIES: Industry overview, providing statistics on fibers and fabrics as well as finished goods. Includes information on industry size, concentration of sales by mill/manufacturer size, production and shipments by U.S.mills, as well as exports and imports for end-use markets. Covers capital expenditures and data on mill machinery.

TOILETRIES, COSMETICS, FRAGRANCES AND BEAUTY AIDS: A detailed view of the U.S. industry covering products for both the female and male markets. Includes latest available industry-wide statistics and projections, as well as data on leading manufacturers in various product categories. Consumer expenditures, buying habits and usage of various product types are highlighted, as well as data on sales by outlet type and advertising expenditures by major producers.

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